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Canada. Royal commission on publications.
Hearings. v. 3-4, 1950.

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ROYAL COMMISSION ON

Publications

HEARINGS

HELD AT
OTTAWA

VOLUME No.:

3

DATE:

NOV 16 1960

OFFICIAL REPORTERS
ANGUS, STONEHOUSE & CO. LTD.
372 BAY STREET
TORONTO

EM. 4-7383

EM. 4-5865



THE CHAIRMAN: Gentlemen, before we begin our session, there is a brief statement I would like to make. I have received a telegram from Mr. Maclellan of the Graphic Arts Industry in which he says:

"With great respect and after having the opportunity to study once again the full text of Postmaster-General Sommerfield's statement we submit that his remarks did very specifically refer to Canada, as well as to magazines, to daily newspapers, and so on."

Yesterday I permitted a statement about Mr. Sommerfield and I permitted it, with some doubt, to be read into the record.

I now wish to state a rule, that this Royal Commission was given no mandate whatsoever to inquire into the motives or aims of the American Government real or imagined. Our concern, and it is a very deep concern, is with the effect of American periodicals coming into Canada on our own periodical press. We are not at all concerned with what may be in the mind of the American Government in that regard. If such motives exist in Washington, in official quarters, in the mind of the American Government, that is a matter



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3 for our External Affairs department to take up with
4 the State Department, and, certainly is not a subject
5 for a Royal Commission; and, so, my ruling is that
6 in future, no reference will be permitted to Mr.
7 Sommerfield's speech and will not be admitted to the
8 record.

9 MR. WALLACE: Before Mr. Edinborough starts,
10 may I present something that was asked for yesterday.
11 It is a copy of M.D. of Canada. I believe that it
12 was questioned yesterday.

13 THE CHAIRMAN: You can file that as an
14 exhibit.

15 ---EXHIBIT NO. 0-22-60: A copy of
16 M.D. of Canada,
17 magazine, April, 1960.

18 THE CHAIRMAN: Mr. Edinborough, you can sit
19 if you please.

20 MR. EDINBOROUGH: I can see over the
21 reporter's head if I stand.

22 Mr. Chairman, I want to apologize for an
23 act of God, in which I do not wish to appear
24 blasphemous, but the number of copies which were
25 asked of me of this brief are now somewhere between
26 here and Montreal, because the airplane could not
27 land yesterday at Ottawa.

28 THE CHAIRMAN: Mr. Edinborough, you
29 are speaking for whom?

30 MR. EDINBOROUGH: I speak for the Consolidated



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3 Press, whose owner is Mr. Jack Kent Cooke and which
4 publishes Liberty and Saturday Night.

5 ---EXHIBIT NO. O-23-60: Brief of Consoli-
6 dated Press.

7 The identity of Canada, its very existence
8 as a nation, is what this Royal Commission on Publications
9 is concerned with. For that separate identity, the
10 Canadian nationality, is under grievous attack,
11 principally from the United States, and to very much
12 lesser extent from other countries such as France
13 and Great Britain.

14 The extent of the economic penetration into
15 this country by the United States is well-known, even
16 if not very deeply apprehended, by most Canadians.
17 Nearly 100 per cent of our automotive industry,
18 90 per cent of our rubber industry, 75 per cent of
19 our oil and natural gas industry, 66 per cent of our
20 mining industry and 50 per cent of our metal making
21 industry is owned in, or controlled from, the United
22 States. The greater part of our total manufacturing
23 industry (52 per cent) is controlled by the United
24 States. A very great number of our workers are
25 members of international trade unions with head-
26 quarters in New York, Washington, Cleveland, or
27 some other American metropolis. Even our St.
28 Lawrence Seaway is controlled by a small American
29 canal in the International Rapids section, and
30 American pilots are guiding foreign ships in



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3 Canadian waters.

4 This dominance, because it has meant rapid
5 development of our country and an increasingly high
6 standard of living, we have learned to live with.
7 We begin to have doubts about it, though, as we
8 realize that it may mean, in the immediate future,
9 that decisions made outside this country will be
10 responsible for unemployment and the establishment
11 of depressed areas within it.

12 The extent of cultural penetration is not
13 so easily shown by figures since an idea can never
14 become a statistic. But there are certain points
15 which can be made which show where our ideas are in-
16 creasingly coming from.

17 In the daily newspapers, for example, the
18 comic pages, widely read by children at a most im-
19 pressionable age, are almost entirely American with
20 American teen-agers, American police, American judges,
21 American criminals and American heroes as some of the
22 basic characters. All the national festivals (such
23 as Thanksgiving) are the American ones naturally.
24 And it is American, not Canadian politics, which
25 are the preoccupation of such satirists as Al Capp
26 in Lil Abner and Walt Kelly in Pogo.

27 Again, advice to the love-lorn is given by
28 American columnists, and it needs a strong imagin-
29 ation to transplant the emotionally disturbed
30 people who write to Ann Landers and Abigail Van Buren



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3 to the sober cities of the Canadian prairies or the
4 Maritimes. Even the political cartoons published by
5 dozens of small provincial dailies are drawn for an
6 American syndicate, the NEA, by Fischetti and
7 reflect ideas on foreign policy often quite different
8 from the papers on whose editorial pages they appear.

9 But quite apart from such syndicated
10 features, it is clear that most of the international
11 news is reported to Canadian newspapers by American
12 wire services or the various news syndicates of such
13 papers as the New York Herald-Tribune, The New York
14 Times and the Chicago Daily News.

15 It is noted in this regard that in today's
16 Globe and Mail, the main headline is a story from
17 Associated Press. There is another Associated
18 Press story on the front page and, again, one of
19 their feature articles is by Paul Hoffman from the
20 New York Times Service.

21 There is the same pervasive American
22 influence in TV. A study done for Saturday Night
23 earlier this year (Canada's TV Dilemma: The
24 American Influence, by Dean Walker) showed that in
25 Toronto, during prime evening viewing hours, 79 per
26 cent of the total audience was usually watching
27 American programmes either on American stations
28 or on the C.B.C. The same article also showed that
29 "a total of 54.5 per cent of the programmes carried
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3 by the C.B.C.'s Ottawa station ... during peak
4 hours (in the week of) May 21st-27th were imported,
5 "mainly from the United States.

6 In fact, the C.B.C. even admits that "it
7 can never design its programme schedule until all
8 three U.S. networks have completed their plans".

9 On the nation's bookstalls there is the
10 same overwhelming preponderance of American ideas.
11 As other briefs have shown, or will show, 92 out of
12 96 titles which sell 10,000 or more single copies
13 per issue on the news-stands are American -- all
14 written, edited and illustrated in the United States,
15 the vast majority of them printed there, too. In
16 fact, four out of every five magazines bought in
17 Canada, whether from the news-stands or by sub-
18 scription, are American.

19 To counter the economic thrust by industry,
20 the Government has a complex series of tariff and
21 customs regulations which make it possible for
22 Canadian factories to operate in the face of severe
23 competition. To counter the American ideas in the
24 syndicated columns of daily newspapers, there are
25 many pages of local and national news written on
26 the spot by Canadians and fed over a co-operative
27 wire service through Canadian Press.

28 To counter the inroads of American TV,
29 the Board of Broadcast Governors has set its sights



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2 on a 55 per cent Canadian content in the programming
3 of all TV stations throughout the country. To
4 counter the rush of periodicals, there has been
5 sporadic action by a variety of governments.

6 The first was a per-copy tariff imposed by
7 the Bennett Government in 1931. During its operation
8 the circulation of the top five U.S. magazines
9 dropped 57 per cent, while the top five Canadian
10 magazines increased their circulation by 48 per cent.
11 The Bennett tariff was dropped by the Mackenzie King
12 Government in 1936, and the circulation of the
13 same five U.S. magazines increased by 55.6 per cent
14 in the first year of the new freedom.

15 In 1956 the St. Laurent Government imposed
16 a tax on the advertising revenue of magazines which
17 proclaimed themselves Canadian though actually
18 American. Five of the American magazines masquerading
19 as Canadian immediately withdrew from their pseudo-
20 Canadian operation, and the two left, Time and
21 Reader's Digest, had their ever-increasing
22 advertising revenue temporarily slowed down. But in
23 1958 the present Government repealed the tax, and
24 not only did Time and Reader's Digest immediately
25 leap ahead, but three of the five which had withdrawn
26 came back into the country under the same false
27 colours and four others joined them.

28 To counter this massive importation of
29 American ideas, Canadian magazines must strive, and
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3 strive hard, for increased circulation. There are
4 two ways to achieve this: (a) by direct solicitation
5 of subscriptions, either through the mails or
6 through agents, or (b) through increased sales on the
7 newstands.

8 American magazines, and more particularly
9 American magazines operating as so-called Canadian
10 magazines, can add a mammoth Canadian mailing to their
11 American mailings for a very small extra cost. The
12 art work, the copy, the original set-up cost of
13 plates and type has been covered by the American
14 mailing. The whole operation can then be dumped
15 into Canada at a price per recipient which no
16 Canadian magazine could begin to equal. And note
17 the word "dumped". I use it in the technical trade
18 sense of such materials being imported into this
19 country at a price level far below their fair market
20 value. (It is significant in this connection to
21 note that Canada, while ignoring this dumping of
22 promotional and, indeed, editorial material, is,
23 according to the Encyclopedia Canadiana "credited
24 with the introduction of the first genuine anti-
25 dumping tariff legislation in the modern world".

26 I might add also that there are so many
27 more American magazines at peak mailing times in
28 January and February and other times of the year,
29 that even if we were to find the money to do a
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ANGUS, STONEHOUSE & CO. LTD.
TORONTO, ONTARIO

Edinburgh,

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2 massive mailing for Saturday Night or Liberty, it
3 would be lost under the flood of American solicitations.
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5 In direct soliciting Canadian publishers
6 can make a better showing, and the circulation
7 success of Liberty is partly attributable to its
8 methods of direct personal solicitation and sales.
9 In other words, Mr. Chairman, an arrangement called
10 a "Youth Club" where young people go out and sell
11 Liberty for a variety of reasons, mainly connected
12 either with cash or with premiums.
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As to increasing newsstand sales, this

1 is but a pious hope. For the newsstands of this
2 country are now almost entirely in the hands of
3 two major agencies: the Curtis Distributing
4 Company and Select Magazines. These two giants
5 control the newsstands by dictating to Canadian
6 wholesalers the position of publications on
7 dealers' racks, how often sales checks are to be
8 made, and by indicating what magazine should be
9 offered in what location.

10 This means that Saturday Night more
11 often than not is put on the top shelf with the
12 movie magazines and the comics, not what I would
13 call its best location.

14 The strength of this monopoly is shown
15 by two revealing incidents:

16 1. The Maclean-Hunter Company now has
17 its three consumer magazines distributed
18 by Curtis, since, by last year, when
19 the agreement was concluded, it had be-
20 come impossible for Maclean-Hunter to
21 compete on equal terms through their
22 own distributing service.

23 2. In 1957 the second example, Consolidated
24 Press circulation department was informed
25 by the wholesaler in Three Rivers and
26 also by the wholesaler in Chicoutimi
27 that unless we were prepared to pay a
28 premium for the distribution of
29 Saturday Night, they would no longer
30



handle newsstand copies for us. Harpers

and the Atlantic with a similar sale to
Saturday Night in both cities still
continue to be displayed and still sell
(as did Saturday Night formerly) about
ten copies. But Harpers and the Atlantic
are handled by Curtis, and the wholesalers
are not going to risk the loss of the Curtis
franchise by refusing to handle one or
two of their unprofitable prestige magazines.
In fact, if and when Liberty and Saturday
Night join the Curtis distributing organiza-
tion (and we may be forced into it), the
complete control of the Canadian bookstalls
will be in foreign publishers' and agents'
hands.

Such a situation makes the increase of
circulation a prohibitively costly operation for
Saturday Night and makes exorbitant demands on
such a publication as Liberty which is a mass-
selling, mass-oriented magazine.

Despite this, through the ingenuity of
our circulation and promotion department and through
careful tailoring of editorial material to the
particular audience which each magazine sets out
to cater to, circulation has for Liberty in the
past five years moved upwards rapidly, and for
Saturday Night it has grown almost exactly commensur-
ate with the population growth of the country.



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2 The latter statement refers not just to
3 five years, but the past twenty years, Mr. Chairman.

4 Liberty's circulation in 1955-56 was
5 450,000, in 1958 was 550,000, and this year will
6 average 590,000, and is projected over the
7 600,000 mark for 1961.

8 Saturday Night had an approximate circulation
9 of 40,000 in 1945, and had risen to over 60,000
10 in 1955 and in 1960 will be close to 76,000, a
11 figure which we hope to pass early in 1961. This
12 means that over the past twenty years, about one
13 Canadian in 275 has consistently subscribed to that
14 magazine.

15 I think, Mr. Chairman, it would be fair,
16 therefore, to assume that Canadians want to read
17 what Consolidated Press wants to publish --
18 the fairly constant percentage of the population
19 who subscribe to Saturday Night shows it; the
20 enormous sale of Liberty shows it.

21 Both are concerned mainly with the
22 Canadian scene, as depicted or interpreted by
23 Canadian writers. Mr. Frank Rasky, the editor
24 of Liberty, has had article series about Canadian
25 rogues, about Canadian disasters and modern Canadian
26 political figures. The popularity of these has
27 been shown by the publication in book form in
28 the book Canadian Rogues. Another book will be
29 out next year dealing with disasters. Mr. Rasky
30



1
2 already has planned a third book on the Canadian
3 west.

4 There are controversial articles about
5 Canadian morals and manners, about Canadian customs
6 and about Canadian history. There have been series
7 about Canadian cities and Canadian sports figures.

8 I have with me, Mr. Chairman, a whole
9 collectionn of summaries of what is to be published.
10 Each of these is a summary of what is to be in the
11 next issue of Liberty and they extend back over a
12 period of three years. I would be glad to leave them
13 with you if you wish to have them.

14 In Saturday Night, the emphasis is on differ-
15 ent things, though the articles are still by Canadian
16 writers about Canadian affairs, conceived in the
17 same crusading spirit as were the original
18 editorials by Edmund W. Sheppard who founded
19 Saturday Night and published its first issue on
20 December 3rd, 1887.

21 Just as a piece of social history, I might
22 add he couldn't see the first issue come from the
23 press because he was fighting a libel suit in
24 Montreal after calling some unit cowardly in the
25 Western Rebellion. In that issue, which is on my
26 desk always, Sheppard set out the aims of the
27 magazine:

28 "It is the intention of the publishers to
29 make the editorial columns of Saturday Night
30 the most piquant and entertaining of



any Canadian paper. It will have its remarks to make about politics and politicians and will point out the follies and foibles of those who assume so much and do so little. To be good-natured will be the chief aim of this journal, now and then perhaps pointing out or smiling at the weaknesses which mark the human race, but avoiding always anything that is scurrilous or improper. If our aims are high, it will be found that our efforts will be great, and we are confident it will prove welcome.'

Sheppard sold Saturday Night in 1906 to Theodore Gagnier, who, in 1909, brought the Charles Frederick Paul as editor. He waged relentless war against land speculators in the West and exposed the crooked financial schemes of many a promoter in Toronto. Dozens of suits were launched against Paul and the magazine, but of these only one ever got to court, and Saturday Night emerged victorious from that.

In 1914, Saturday Night moved to its present address on Richmond Street, and in 1922 a holding company, Consolidated Press Ltd., was formed by Gagnier who died later that year, whereupon Miss M.R. Sutton, formerly secretary-treasurer, became president.



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2 In 1926 Hector Charlesworth became editor,
3 and such well-known journalists as J.V. McAree,
4 W.A. Deacon and Wellington Jeffers were on the
5 staff. In 1932 Charlesworth became chairman of
6 what is now the CBC and B.K. Sandwell became
7 editor, a post he held for twenty years.

8 In 1952, Consolidated Press was bought
9 by Jack Kent Cooke, its present owner.

10 As well as Saturday Night, Consolidated Press
11 also owned Canadian Home Journal, Farmer's Magazine
12 and a group of business papers, but the strain of pro-
13 viding high quality journalism in the face of increas-
14 ing and unfair competition from foreign publications
15 was taking its toll. On Saturday Night alone the
16 loss during the first year of Cooke's ownership
17 was \$185,000. From 1953 to 1957 the loss in
18 Consolidated Press's publishing operations was
19 \$1,660,742.

20 I have with me, Mr. Chairman, sets of
21 figures of which I have 15 copies, which show the
22 financial statements for the Canadian Home Journal
23 for the full five years previous to suspension.
24 During that time the loss totalled \$643,340. Full
25 details are given here with costs and expenses
26 as a percentage of total revenues. In 1953
27 costs and expenses are 103.2 per cent of total
28 revenue; in 1954 109.3 per cent; in 1955 112.3
29 per cent; in 1956 110.0 per cent and in 1957
30



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2 112.4 per cent. It came to an end in 1958.

3 I will file these with the Commission.
4 The paper for publication cost \$1,768,133 and
5 the printing cost us \$2,616,065. We mention
6 these figures now to show the loss to Canada when
7 this magazine folded.

8 On Saturday Night for the five year period
9 from 1955 to 1959 the total revenues were \$1,540,636
10 and net loss, \$705,679. Again we have the costs
11 of paper for printing and editorial costs, and
12 the fact that in 1956 the costs and expenses as
13 a percentage of total revenue were 200 per cent.
14 In other words he spent twice what he got from the
15 magazine in 1957.

16 I also have a statement here for the
17 five year period from 1955 to 1959 for Saturday
18 Night and Liberty together, which show in that
19 period a net loss of \$349,259 because has made a
20 modest profit in the period that Mr. Cooke has owned
21 it.

22 I will file this with the Commission.
23 In 1958 as a result of some of the figures I
24 have just been talking about all the publications
25 with the exception of Saturday Night and Liberty
26 either discontinued or merged with other publications.

27 Since then, Saturday Night, like almost every
28 other Canadian magazine, has continued to be sub-
29 sidized by its owner, and Liberty as I said has
30



1 made a very modest profit.

2 Now, Mr. Chairman, if Saturday Night and
3 Liberty are providing what their readers want, if
4 they are able to hold on to and increase their cir-
5 culations, why should they lose money? The answer is
6 simple: their costs of production are not covered
7 by their advertising revenue. This is not because
8 the costs are too high. Let that be made clear.
9 Both Mr. Rasky and myself are by now adept at
10 cutting costs. Our promotion is economical and
11 selective.

12 Much of the advertising I do, promotional
13 advertising for Saturday Night is in professional
14 magazines which have high readership with low costs.
15 I am firmly of the opinion, for example, that the
16 Ontario Secondary School Teachers Federation Bulletin
17 is read from cover to cover which may not be true
18 of periodicals in which advertising would cost much
19 more money.

20 Murray Printing and Gravure who originally
21 bid for our printing after the Saturday Night press
22 was disposed of in 1958.

23 Our rates to contributors are low, and I
24 want to say this, Mr. Chairman, they are not penur-
25 ious. The average percentage of our editorial cost
26 expressed in terms of total cost is between 12 and
27 13 per cent. Our rates are only low in comparison with
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2 what Canadian writers can ~~earn~~ on the American
3 market where a single article can be bought for
4 up to \$2500 for a free lancer, and more if
5 the man has a name in some other field.

6 Although the rates are low in comparison
7 with other magazines there is no shortage of
8 material offered to us. Journalists, politicians,
9 businessmen and teachers constantly send in
10 ideas and are open to suggestion about style
11 and treatment. I might say more people have
12 ideas than have the ability to express them.

13 The staff, though small, is dedicated. It
14 has to be, for there are only six people on the
15 staff of Saturday Night who, between them, write
16 almost one-third of every issue and edit and
17 rewrite the other two-thirds. On Liberty there
18 are five permanent members of the staff, but
19 of course, it is only out every month. We are
20 out every two weeks. We do, of course, have a
21 strong panel of contributing editors, but the
22 mast-head on the American magazines make us
23 wonder, perhaps somewhat ruefully, about relative
24 efficiency and productivity, as between Canadian
25 and American journals.

26 This concentration of effort, however, does
27 make for an integrated, sharply focussed magazine
28 and does keep it consistent in tone and purpose.
29
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2 I read every shed of copy that comes
3 into the Saturday Night and proof read it too.
4 fortunately I want to do it but it is because
5 there is not anyone else to do it.

6 Where the lack of revenue pinches is in
7 the advertising department. Here we have, again,
8 far fewer men than Time and Reader's Digest have
9 in Canada. With their editorial costs covered by the
10 American operation, they can afford these much
11 larger staffs with much larger P.R. and promotion
12 budgets.

13 Our advertising men are dedicated, too.
14 But dedication cannot help them to see clients
15 after five, whereas editors can read manuscripts
16 and produce them all night if they wish to.
17 The coverage of prospects will thus be less. And,
18 in any case, operating mainly in Canada, with
19 one representative in New York, one in Chicago
20 and one in California, is not enough for a
21 Canadian magazine. Many of the companies which
22 are obvious prospects for advertisers in Saturday
23 Night or Liberty are wholly-owned subsidiaries of
24 American corporations. Their advertising
25 program is thus mapped out in the United States,
26 or, if created here, must be finally approved in
27 United States. On one of
28 our accounts, the executive decision is made in
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ANGUS, STONEHOUSE & CO. LTD.
TORONTO, ONTARIO

Edinborough,

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3 New York, the advertising agency operates from
4 Philadelphia, and this is a Canadian company with
5 headquarters allegedly in Toronto. These ad-
6 vertising programmes are mapped out in the United
7 States or, if created here, must be finally
8 approved in the United States. It is clear what
9 an advantage this gives to American magazines
10 soliciting Canadian corporate advertising.

11 Furthermore, there is an increasing
12 number of American-owned Canadian subsidiaries
13 which are handling their advertising through an
14 American agency which sets up a Canadian branch
15 office to service the accounts. It is only natural
16 that they would know American media better than the
17 Canadian. I am not suggesting that my advertising
18 man cannot convince them after they have been
19 here for some time, but when they come they do
20 have to have a complete and persuasive job done on
21 them.

22 It is true also that very often a Canadian
23 branch office is started by key personnel taken
24 from the Canadian agency which probably previously
25 serviced the account.

26 Thus, Canadian magazines in seeking ad-
27 vertising, are running into an interlocking group
28 of frustrations due precisely to that economic
29 colonialism which they argue against so strongly.
30



Unless some recommendations are arrived at by this Commission which the Government will implement without delay, the last few Canadian magazines will disappear. They cannot go on forever being paid for out of private and patriotic pockets.

The loss will not only be severe, it will be total. For if Saturday Night, Liberty, Maclean's, Canadian Homes and Chatelaine -- the last five national magazines now left -- disappear, there will be no forum for Canadian national opinion. For Canadian Letters to the Editor do not appear in the Canadian edition of Time; Canadian articles rarely appear in the Canadian Reader's Digest; and the number of Canadian writers who are supported by both could be counted on the fingers of one hand. Yet, they it is who are taking the advertising revenue which alone can support Canadian magazines. Without that revenue, decently and fairly competed for, Canadian magazines will die. And so, gentlemen, will Canada.

MR. PITFIELD: Mr. Chairman, I would like to file a copy of Saturday Night dated July 23, 1960, as Exhibit O-24-60, a memorandum from Mr. Tom Alderman to Mr. Jack Kent Cooke, dated October 28, 1960, previewing Liberty magazine, as Exhibit O-28-60; statements for the financial operations of Saturday Night and Liberty magazine



during the five-year period 1955 to 1959, as Exhibit O-25-60; the same for Canadian Home Journal as Exhibit O-26-60 and for Saturday Night alone as Exhibit O-27-60.

---EXHIBIT NO. O-24-60: Copy of Saturday Night, July 23, 1960.

---EXHIBIT NO. O-25-60: Financial statements for Saturday Night and Liberty.

---EXHIBIT NO. O-26-60: Financial statement for Canadian Home Journal.

---EXHIBIT NO. O-27-60: Financial statement for Saturday night.

---EXHIBIT NO. O-28-60: Memorandum from Mr. Alderman to Mr. Cooke.

---Recess.

COMMISSIONER BEAUBIEN: I would like to ask this question. Does Consolidated Press have special racks in some of the supermarkets for the distribution of their publications?

MR. EDINBOROUGH: I believe it has some for Liberty but not for Saturday Night.

COMMISSIONER BEAUBIEN: What percentage of Liberty's publication is by subscription and what is by newstand sales?

MR. EDINBOROUGH: I have some figures here which I can give to you from our Statement, subject to audit. Subscriptions, 438,069; boys' sale -- which I mentioned in my brief -- 41,656; newstand sale, 110,838. The total -- that period



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3 was 590,563, subject to audit. So the percentage
4 looks to be approximately 20 per cent newsstand
5 sale.

6 COMMISSIONER BEAUBIEN: Does the circulation
7 revenue for Liberty cover selling cost?

8 MR. EDINBOROUGH: In the five-year period,
9 1955 to 1959 it is shown from the submission which I
10 have already entered with the Commission, that the
11 circulation revenues of Saturday Night and Liberty --
12 I have not a separate figure -- were \$1,175,993.
13 The circulation expense was \$1,635,385. Therefore,
14 the answer to your question is, No, sir, by half
15 a million dollars on the combined operation.
16 This is a combined operation; the Circulation
17 Department is the same for both magazines.

18 COMMISSIONER BEAUBIEN: To what do you
19 attribute the success of the American magazines in
20 Canada competing with Consolidated Press Publications?
21 Are they more attractive to the Canadian public?

22 MR. EDINBOROUGH: They are more attractive
23 to any public. They have much more money to
24 spend on dolling up -- I do not really mean it in
25 that pejorative sense -- but they do have more
26 revenue to spend on art work, typographical design
27 and so on. For example, Saturday Night I am aware
28 at the present moment has what two or three members
29 of my staff call "a visual problem", but this is
30 a very expensive one to solve. We do not have the



Edinburgh,

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money to do that; they have.

COMMISSIONER JOHNSTON: You gave Mr. Beaubien figures of newstand and subscription sales of Liberty. May we have the same figures for Saturday Night.

MR. EDINBOROUGH: For the same period, for Saturday Night individual subscriptions were 72,244. Single copy sales through retail outlets were 3,743. I might add that I have here comparative figures for the last three years of Saturday Night. Our newstand sale has declined from the 4,373 average in the first seven issues of 1958. It increased a little in 1959 to 4,594. It decreased in 1960 to 3,795.

I might say, Mr. Commissioner, that it is a difficult problem to attract newstand sales with my particular kind of publication. We depend mainly on subscription circulations. However, we are also of the opinion, which we must hold, that if enough people pick up a copy at a newstand they will like it and subscribe to it. Therefore we enclose a coupon in every issue so that in the event they want to do this it will be easier for them. Just how one makes a publication like this visible on the newstands, when it has such a small sale is the trouble. With total sales of less than 4,000 -- newstand sales -- it is of no interest to retailers. When I stay in a hotel I personally



Edinburgh,

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3 look for it and put it on the bottom rack, but I
4 am sure it gets put back when I leave.

5 COMMISSIONER JOHNSTON: I know a poet who
6 always asks for his books! Following Mr. Beaubien's
7 questions, what I would like you to do for my
8 interest and for the record is to describe yourself
9 in a little more detail than we have it. What is
10 your position? You are Editor of Saturday Night?

11 MR. EDINBOROUGH: I am the Editor of
12 Saturday Night.

13 COMMISSIONER JOHNSTON: You mentioned
14 "my advertising staff". Are you in charge of the
15 advertising staff also?

16 MR. EDINBOROUGH: I am glad my advertising
17 manager is not here when you say this. We walk
18 around one another a good deal. I would put it
19 this way. I think Saturday Night has always been
20 a personal magazine. When I took over immediately
21 I was introduced to anyone as Editor, they always
22 remembered B. K. Sandwell very well and other people
23 have mentioned earlier editors. Saturday Night
24 is therefore to be the magazine which the Editor
25 makes it. Because we have a small and select
26 audience it is very obvious that the advertising
27 manager must be able to interpret exactly what
28 we are trying to do and exactly what audience the
29 editorial department is trying to cultivate. Since
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3 he is an advertising man not an editorial man,
4 we often make a presentation together to an agency --
5 only to the president of an agency in my case --
6 and to some of the larger advertisers. I take
7 about half an hour to say what are the policies
8 of the magazine, to give the person concerned some
9 preview of what is going to happen over six months
10 of publishing and then I leave and let Shepperd,
11 my advertising director, take over. I consider
12 this is my magazine, particularly when Mr. Cooke
13 gives me complete freedom to edit it; he reads it
14 when it is published.

15 COMMISSIONER JOHNSTON: You mentioned
16 the lack of visibility on the newsstands. Is that
17 your own problem? In your brief itself you mentioned
18 the problems of distribution to the agencies.
19 Perhaps we should have asked Mr. Chalmers about
20 this yesterday. You mention here that they had a
21 distribution agency and abolished it last year.
22 Do you know anything about that? Was it last year
23 or the year before?

24 MR. EDINBOROUGH: It was 1959 as far as
25 my information goes.

26 COMMISSIONER JOHNSTON: I think here you
27 say they found it impossible to carry on. Were
28 they losing money?

29 MR. EDINBOROUGH: This is an invidious
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3 position -- pretending Mr. Chalmers and his staff
4 are not here while answering this question. The
5 information I have is that in order to compete
6 with very large circulation magazines with which
7 Maclean's does compete, he needed to have the people
8 on his side. More than that I do not know. The
9 financial arrangements -- well, Sir, I am an
10 editor.

11 COMMISSIONER JOHNSTON: Mr. Chalmers will
12 be back with us later and perhaps he can give us
13 the information then. Is Mr. Cooke living in
14 Canada now?

15 MR. EDINBOROUGH: He is in Toronto
16 today to the best of my knowledge. I want to make
17 it very clear that whether Mr. Cooke is an
18 American or a Canadian citizen does not matter to
19 me a hoot. He has put \$1,660,000 in the magazines
20 which I think have added to the life of Canada.
21 He is now going to the United States. He is in the
22 process of taking up American citizenship because
23 he is a man of great ambition and expects to do
24 things there that he cannot do without being an
25 American citizen in the radio field. He is still
26 going to own Saturday Night and Liberty. I have
27 a contract for the next two years negotiated
28 a month ago. If he is prepared to put up money
29 for me to edit a magazine which is Canadian, edited
30 by me for Canada, and to pay the bills I am happy.



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3 COMMISSIONER JOHNSTON: I would personally
4 regret very much if Saturday Night went out. It
5 was one of the first publications I remember reading.
6 You have confidence that the policies of your friend
7 will bring him the correct answers, if you have the
8 money to do it?

9 MR. EDINBOROUGH: Yes sir. I can say this,
10 that since I took over in October, 1958, the revenue
11 has shown a consistent increase. The losses to
12 Saturday Night this year through cutting costs and
13 through getting more attention from the advertisers,
14 have been for some time even lower than they have
15 ever been since Mr. Cooke owned the paper, and there-
16 fore in the past two years, against the trend of the
17 magazine industry, in Saturday Night we have increased
18 our revenue although we have lost slightly in
19 circulation.

20 COMMISSIONER JOHNSTON: Your brief is very
21 clear, and I congratulate you on it. There was
22 one place that I wish you would explain a bit,
23 and this is on page 5, paragraph 15, where you say:

24 "It is significant in this connection
25 to note that Canada, while ignoring this
26 dumping of promotional and, indeed, editorial
27 material, is, according to the Encyclopedia
28 Canadiana 'credited with the introduction
29 of the first genuine anti-dumping tariff
30 legislation in the modern world.'"



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3 Q. Could you explain that a little further;
4 when did this thing come in, this anti-dumping
5 legislation?

6 MR. EDINBOROUGH: No I can't, because I
7 find tariff regulations are very confusing even to
8 those people whose business it is. However, I have
9 read, because of my interest in this particular
10 Commission, of course, I have read the article on
11 tariff in the Encyclopedia Canadiana, and it would
12 seem to me that Canada is always in the position of
13 being faced with tremendous and highly organized
14 sales forces and manufacturing countries both from
15 the South, the United States and earlier from
16 England, that when this original anti-dumping thing
17 came in, that would be the time when Canada was
18 desperately striving to get the industry going,
19 and in order to defeat that, unscrupulous people
20 would try to dump. It seems to me that we are
21 geographically so situated that dumping is to a
22 ruthless operator a reasonable method of getting a
23 market into Canada.

24 A. There has, I think, if memory serves me
25 properly, been some resumption of this, I think, in
26 about 1955 or 1956; there was some question about
27 the dumping of nylon fibre, which was very quickly
28 stepped on as a result of this anti-dumping
29 legislation. The details are not clear in my
30 mind, because no tariff detail, I think, is clear



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2 except to the people who deal with it constantly.

3 Now, if I could do one other thing. In
4 the current issue of Saturday Night we have an
5 article about tariff in which a company that once
6 operated in Canada is now out of business because of
7 the method by which the tariff was computed on
8 imports into Canada on pharmaceuticals, and as a
9 sort of antithesis to this, we quoted the experience
10 of the Diversey Company of Canada, a Chicago firm
11 with a wholly-owned subsidiary in Canada, where,
12 having got an agreement from the Customs Bureau
13 in the United States that they would be charged a
14 price which was agreed on after 16 months added
15 capacity, and started to produce this material
16 and send it to Chicago to the parent company, and
17 the price was arbitrarily changed and made retro-
18 active for 16 months, and it seems to me in what
19 I know of tariff legislation that we are inclined to
20 let things go, and certainly the United States is
21 very concerned with keeping things out.

22 COMMISSIONER JOHNSTON: That is a very
23 clear explanation of something you say you don't
24 understand. I believe that Sir John A. MacDonald
25 used to say he wasn't going to allow Canada to be a
26 slaughter market for the United States.

27 Now, in that connection, what would you
28 say is the remedy for this situation.
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3 MR. EDINBOROUGH: I hope that I will be
4 coming before the Commission again towards the end,
5 and that I will be able to suggest a remedy.

6 COMMISSIONER JOHNSTON: Now, there is just
7 one place at the end where you indulge in some
8 editorializing, and despite the fact I hope the
9 magazine will continue, I would think that Canada
10 is more likely to continue than the Canadian
11 magazines. It seems to me that from what little
12 history I know we have always been on the verge
13 of becoming completely American, but somehow or
14 other we have always avoided it, and I suggest that
15 we will again.

16 MR. EDINBOROUGH: Well, sir, you said
17 I was editorializing; we are each permitted our own
18 opinion. I would think that in paragraph (2) of
19 my brief there are figures which cannot be
20 paralleled at any other time in Canada's history.

21 COMMISSIONER JOHNSTON: I know there is a
22 problem, but I think that the answer will be
23 supplied by the Commission with optimism.

24 MR. EDINBOROUGH: I hope that we supply
25 it together.

26 COMMISSIONER JOHNSTON: All through your
27 brief you say "American magazines" and I have been
28 fighting that phrase in Canada all my life. I
29 wonder why you don't occasionally there call them
30



Edinburgh,

- 31 -

1
2 "United States magazines".

3 MR. EDINBOROUGH: Because, sir, I was
4 reading the brief and it is a very awkward word
5 saying "United States magazines".

6 COMMISSIONER JOHNSTON: Thank you.

7 THE CHAIRMAN: Mr. Edinborough, I think
8 in the thirties -- I may be wrong -- you changed
9 the format of Saturday Night, didn't you?

10 MR. EDINBOROUGH: Yes.

11 THE CHAIRMAN: Under Mr. Sandwell's
12 editorship?

13 MR. EDINBOROUGH: I have here a list of
14 what happened, and I was talking to your research
15 man, Mr. Horwith, yesterday, and I will prepare
16 a secondary memorandum for your research department
17 for the member's use on the fact that on September 14,
18 1940, under Mr. Sandwell's editorship it went down
19 from a very large size to newspaper size. On
20 October 11, 1949, it went down to standard magazine
21 size, and then on May 1, 1954, it went down to
22 its present size. Now, the estimated cost savings
23 of these changes -- why they were done -- I am
24 still finding out about it. There are about 500
25 pages of deliberations by the then owners of
26 Saturday Night, only one-third of which is edited.
27 I am at the present moment playing a kind of detective
28 game; I am supplying a supplementary one.
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3 THE CHAIRMAN: Will you find out at the
4 same time and let us know what is the effect of these
5 changes, if any, on your circulation and your
6 earnings.

7 MR. EDINBOROUGH: Yes, I will do that.

8 THE CHAIRMAN: Now, Saturday Night I would
9 regard as what we call a quality magazine. Do you
10 think that its circulation and its present position
11 is much different relatively from the position of
12 quality magazines in Great Britain and in the
13 United States? For example, let us take the Atlantic
14 and Harper's; you will not object to comparing
15 Saturday Night with them, I hope?

16 MR. EDINBOROUGH: No sir.

17 THE CHAIRMAN: I haven't got the figures
18 on circulation here, but let us suppose that
19 Atlantic has a million -- and I think I am pretty
20 generous in saying it has a million circulation --
21 on a per capita basis that circulation into the
22 United States is no better than yours in Canada,
23 and then we will take Harper's, and I would be very
24 doubtful if it is a million; I know that Atlantic
25 hasn't got a million -- and there again you have
26 the position of a quality magazine like Harper's
27 in the United States, and apparently not labouring
28 under the handicaps which you have been speaking
29 of with Saturday Night, their per capita circulation
30



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3 in the United States is no greater than yours, I
4 think it is less, and then I can recall -- and you
5 must recall also -- that in my time a great magazine
6 like Century disappeared; an excellent magazine.
7 The Independent disappeared and it was a fine
8 magazine, too. The North American Review disappeared,
9 and those are all quality magazines. So, if you
10 look at other periodicals in the United States
11 dealing with books, science, philosophy, religion
12 and politics, their circulations are very small.

13 You all remember the New Republic; I
14 remember when Herbert Crawley started it. It never
15 paid its way and it had all the best writers in the
16 United States on it. Or, take the old Post in
17 New York; there were good writers there and it
18 is dying on its feet. Or, take a very intellectual
19 magazine like the Commonweal; it has never been able
20 to pay its way.

21 What I am trying to point out to you is
22 that all in all, looking at the circulation of
23 Saturday Night and looking at your earnings, do
24 you think you really are being affected by much
25 else than the fact that you are a quality magazine?
26 What is the competition? Surely the Saturday
27 Evening Post doesn't compete with you, nor some
28 of this medical trash which you found at our
29 expense, and this couldn't conceivably compete
30 with you. What is the answer to that, because it



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2 is important to us.

3 MR. EDINBOROUGH: It is a long one, Mr.
4 Chairman.

5 THE CHAIRMAN: Go ahead.

6 MR. EDINBOROUGH: The first thing is
7 this: Saturday Night is not dieing on its feet,
8 in fact, it is up off its feet and I hope is walking,
9 if not running now. That is the first thing.

10 The second thing is when people in the
11 United States or in England ask me what my magazine
12 is you can't with a magazine tell them that it is
13 an amalgamation of the New Yorker, of the Reporter,
14 maybe a bit of Barron's and some of the Economist.
15 The very fact that I have to amalgamate two or
16 three magazines proves that Saturday Night is not,
17 in fact, the same as Harper's; it doesn't
18 stand in the same relationship to the Canadian
19 scene as those magazines which you have mentioned.
20 Canada by its very small population cannot, I submit,
21 support the same number of specialized magazines
22 which is supported in the United States. You
23 mentioned some which have collapsed and others
24 which have been fine. For example, the Reporter --

25 THE CHAIRMAN: Are you telling me that the
26 Reporter is paying its way?

27 MR. EDINBOROUGH: I have no idea.

28 THE CHAIRMAN: I think it is a well
29 accepted fact that it is not, and if you know anything
30



1
2 about advertising rates, you can measure their
3 advertising and you will realize they are not paying
4 their way. I think there has been a very unfortunate
5 merge there. There is no use fooling ourselves about
6 these things. If you are for the Reporter, it is
7 all right, but the Reporter is not paying its way.
8 I think that the New Yorker is unique; it is a good
9 comparison, but not the Reporter. If you are
10 trying to get out the Reporter in Canada, I think
11 I will end up by hearing that Mr. Edinborough is in
12 the poorhouse.

13 MR. EDINBOROUGH: I didn't say it was;
14 I said that my magazine was an amalgamation of those
15 three. The Reporter may well be losing money; it
16 has competition with four others, Time, Newsweek,
17 U.S. News and World Report and other magazines to
18 contend with in the United States all competing for
19 the same revenue, and in the United States any
20 revenue from the Reporter is being taken out, and
21 also 43 per cent of the revenue which I can hope to
22 compete for in this country is going to American
23 magazines, and I think that that makes any direct
24 comparison ridiculous.

25 That is the first thing I have to say. The
26 second is this; that Saturday Night is a magazine
27 of ideas, it is a magazine which deals with a broad
28 swath of ideas in its insurance and tax section,
29 it appeals to the financial people and, we feel, to
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3 the financial houses. In Mary Lowry Ross I am
4 convinced we have as good a writer as ever wrote
5 for the New Yorker and in the movie and TV reviews
6 and the book reviews, which she writes, we are the
7 equivalent of the New Yorker. Also, we take
8 international affairs from a Canadian viewpoint
9 and we take economics and politics in Canada.
10 I suggest that this curious amalgam means that
11 we have a broad basis and a particular situation
12 in the Canadian scene which no magazine in any other
13 country has, so therefore I find the comparison
14 with for example, the Spectator not the same.

15 THE CHAIRMAN: The Spectator?

16 MR. EDINBOROUGH: The Spectator in
17 England or the New Statesman and Nation. Now,
18 the whole basis of Saturday Night is that it
19 should not become narrowed significantly, but I
20 think it is a fact that these other magazines have.
21 Now, I also admit that quality in the end is what
22 will tell, and I think that we can increase our
23 quality or raise our quality and I think in time
24 we shall have no difficulty, but we shall have some
25 difficulty in staying alive. What we are working
26 against in this -- and remember that Liberty is also
27 a part of it -- what we are working against is
28 this competition between other magazines which is
29 happening in the United States all the time; they
30 have no extra territorial competition as we do, nor



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3 does any magazine in the United States have its
4 editorials dumped in from another country before
5 it solicits a single page of advertising. That is
6 a situation unique to this country, just as Saturday
7 Night is unique to this country.

8 THE CHAIRMAN: Do you feel that if Time
9 and Reader's Digest and Week-end were getting a
10 little less of the advertising, that Saturday Night
11 would get more?

12 MR. EDINBOROUGH: Yes.

13 THE CHAIRMAN: If Time disappeared or
14 Reader's Digest disappeared, would these same
15 advertisers be using a quality magazine like
16 Saturday Night?

17 MR. EDINBOROUGH: Well, page for page
18 the advertising in Saturday Night and Time -- the
19 comparison you suggest -- there are many of these
20 same advertisers and in Time there are many more
21 of the same kind of advertisers. For example,
22 corporate advertising, the public image of a cor-
23 poration; we have many accounts of this nature, and
24 Time has many more. The institutional distillery
25 advertising and brand name advertising, this is
26 shared between the two magazines, and all we are
27 saying is we are constantly competing on this
28 corporate advertising, and it is quality advertising
29 with quality materials.
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2 For example, we advertise and at the
3 present time have contracts for expensive clothes,
4 not inexpensive. We are not a consumer magazine
5 in the sense, let us say, that Liberty is a consumer
6 magazine, and of the 76,000 people whom we have
7 surveys on over the past 10 years, they range from
8 30 to 40 per cent graduates and 30 to 40 per cent
9 in a very high economic bracket. We appeal to the
10 management, to the professional, literary and
11 intelligent Canadians, and I can't think of a single
12 company in this country who wouldn't prefer to get
13 their message through to them than to any other
14 group. That is the way we base our competition
15 against Time.
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3 THE CHAIRMAN: Do you get much of the
4 same kind of advertising? You would get high
5 cost whiskey. The intelligentsia, apparently,
6 are not above drinking whiskey?

7 MR. EDINBOROUGH: In this they show
8 their intelligence, perhaps. I would say this,
9 that we get in Saturday Night, occasionally,
10 the same kind of advertising. For example, we
11 give car announcements. But, in our magazine they
12 will be the Buick or Oldsmobile. In Liberty,
13 they are the Chevrolet and Pontiac. We do not
14 overlap in any other field that I know of.
15 They advertise lower cost whiskey; we advertise
16 higher cost whiskey. They are two entirely different
17 operations, as far as advertising is concerned,
18 because a person who is going to pay Liberty
19 reaches over 600,000 people and he is looking for
20 a particular market at a particular cost and in
21 Saturday Night, with 76,000 people, he is looking
22 again for a different audience completely.

23 THE CHAIRMAN: In your Paragraph 2,
24 you say: "Nearly 100 per cent of our automotive
25 industry, 90 per cent of our rubber industry,
26 75 per cent of our oil and natural gas industry,
27 66 per cent of our mining industry and 50 per
28 cent of our metal making industry is owned in,
29 or, controlled from, the United States." This
30 is, and I think quite properly so, a matter for



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3 lamentation. Well, if Mr. Jack Kent Cooke moves
4 to the United States and becomes an American citizen,
5 where then will abide the ownership of Liberty
6 and Saturday Night, and will he not then be contri-
7 buting to the evil you have pointed here?

8 MR. EDINBOROUGH: No; because what
9 Mr. Cooke will be doing, if he moves to the
10 United States and makes more money than he is
11 now making -- he, presumably, will or, conceivably,
12 may be persuaded to spend more money on Saturday
13 Night and Liberty than he has even so far. As
14 I said, Saturday Night is edited entirely by
15 me. All the staff are Canadian. All its thinking
16 is Canadian. Mr. Cooke, even now when he lives
17 in Canada, reads it when it is published. I
18 think I must be one of the few editors who have
19 freedom of this kind, in this country and I cannot
20 see how in any sense he could be said to be adding
21 to this lamentable situation, if he still owns
22 Saturday Night and it is a Canadian run, Canadian
23 operated magazine, operating on Canadian ideals.
24 I do not see that it does, any more than it is
25 reprehensible that Mr. Roy Thomson should live
26 in Scotland and control a whole chain of newspapers
27 here. I do not see that it is any different
28 for a British citizen with American citizenship.

29 THE CHAIRMAN: You do not?

30 MR. EDINBOROUGH: In this regard, no.



English capital and American capital...

THE CHAIRMAN: That would be a matter of opinion.

MR. EDINBOROUGH: We are talking, Mr. Chairman, about capital, English capital and American capital.

THE CHAIRMAN: We are talking about foreign control. We have not yet regarded the British as foreigners.

COMMISSIONER JOHNSTON: Mr. Edinborough, there are one or two points that I was wondering about. During the course of this discussion, which is now in the third day, we have not been told anything about the moving to Montreal of the official publications offices of the various magazines, because of what? The liquor laws -- liquor advertising laws?

MR. EDINBOROUGH: We publish in Toronto, Mr. Johnston.

COMMISSIONER JOHNSTON: But, have you always been published in Toronto?

MR. EDINBOROUGH: No. We just became published in Toronto now for the same reason that everyone else changes their publication.

COMMISSIONER JOHNSTON: So far as the magazines in the English language are concerned, Toronto is the publishing centre. The Ontario liquor laws did not permit liquor



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2 advertising until very recently. Is that correct?

3 MR. EDINBOROUGH: I believe that to
4 be so. But, still, what we did was not illegal.

5 COMMISSIONER JOHNSTON: No.

6 MR. EDINBOROUGH: It was just a matter
7 of expediency to keep in business.

8 COMMISSIONER JOHNSTON: I have one other
9 question. Was Saturday Night prosperous in years
10 gone by or was it held up by its printing department?

11 MR. EDINBOROUGH: Now, the figures
12 which I have go back, naturally, to the ownership
13 of Mr. Cooke, the present owner. In that time,
14 it has not made a profit, I think, going by
15 the deliberations of the people who were trying
16 to get it out of a mess in 1949. So, I presume
17 that it has been in its present state since about
18 1944 or 1945. It was prosperous in the 1930's.
19 It has not been prosperous for 15 years. It has
20 had to be subsidized and subsidized heavily. I
21 think you will note that date is exactly the date
22 when Time started a Canadian edition.

23 COMMISSIONER JOHNSTON: You think Time
24 did more harm to Saturday Night than anything else?

25 MR. EDINBOROUGH: Yes. We compete for
26 the same advertising. And as I have shown in
27 the brief, they can blanket a market so much
28 more easily than we can, because they have this
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3 added built-in factor of no editorial costs, or
4 very few editorial costs.

5 THE CHAIRMAN: Does not Weekend get
6 a great deal of the advertising you get also,
7 of the same quality?

8 MR. EDINBOROUGH: From Saturday Night,
9 none at all.

10 THE CHAIRMAN: None?

11 MR. EDINBOROUGH: No.

12 COMMISSIONER JOHNSTON: Do you know
13 if the printing department of Saturday Night,
14 the Consolidated Press, a high quality establishment,
15 producing annual reports and other brochures
16 of quality -- was it profitable and, if so,
17 why did Mr. Cooke sell it?

18 MR. EDINBOROUGH: I think it was profitable
19 provided we owned all the other magazines which
20 were published on it, to keep it going, because
21 when he disposed of five trade books, a large
22 consumer magazine and Farmers' and Canadian Home
23 Journal, with the disposal of these, it made
24 it impossible to run, except as a job printing
25 plant, which would mean a great deal of new
26 organization, and he preferred then to sell.
27 It would be profitable so long as we owned
28 the stable of magazines, but once that whole
29 printing operation is subtracted, then, of
30 course, the rason de'tre of the press is gone.



ANGUS, STONEHOUSE & CO. LTD.
TORONTO, ONTARIO

Edinborough - 44 -

1
2 THE CHAIRMAN: And the captive customer
3 has escaped?

4 MR. EDINBOROUGH: Yes.

5 THE CHAIRMAN: Thank you, Mr. Edinborough.
6 We will recess now until 2 o'clock.
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8 ---Luncheon Adjournment until 2 P.M. 1 o
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---Upon resuming at 2.00 p.m.

THE CHAIRMAN: Mr. Laybourne, will you identify yourself and we shall proceed.

MR. LAYBOURNE: My name is Lawrence E. Laybourne, Toronto, Managing Director of Time International of Canada Limited. I am accompanied here, Mr. Chairman, by three associates. I would like to identify them if I may. Mr. Edgar Baker, Vice-President of Time International of Canada, Vice-President of Time Incorporated in charge of the international publishing activity of Time Incorporated; Mr. Bradley Gundy, of Toronto Advertising, Manager of Time International and Mr. DeWolfe MacKay, Q.C., counsel for Time International.

Mr. Chairman, I have no additional submission or summary of our brief. With your permission I would like to read our brief into the record.

SUBMISSION OF
TIME INTERNATIONAL OF CANADA LIMITED

APPEARANCES:

Lawrence E. Laybourne

Edgar Baker

Bradley Gundy

De Wolfe MacKay, Q.C.

INTRODUCTION

1 The Commission in its terms of reference is
2 charged:

3 (a) to inquire into and report upon the
4 recent and present position of and prospects for
5 Canadian magazines and other periodicals with
6 special but not exclusive consideration being
7 given to problems arising from competition with
8 similar publications which are largely or entirely
9 edited outside of Canada or are largely or entirely
10 foreign in content; and

11 (b) to make recommendations to the Govern-
12 ment as to possible measures which, while consistent
13 with the maintenance of the freedom of the press,
14 would contribute to the further development of a
15 Canadian identity through a genuinely Canadian
16 periodical press.

Freedom of the Press

17 2 Inherent and basic in the terms of reference
18 is that the freedom of the press must at all times be
19 maintained.

20 3 The press in Canada has been shaped by the
21 free interplay of the desire to publish and the urge
22 to be informed. The controlling circumstance has been
23 freedom of expression, a particular freedom slowly
24 claimed and won in the gradually evolving British
25 tradition of individual liberties. This freedom has
26 now been given statutory force in the Canadian Bill
27 of Rights.



1 4 Constant vigilance is still required to
2 ensure this freedom. Finance Minister Fleming, in
3 announcing the Government's decision to rescind the
4 excise tax on magazine advertising, June 18, 1958,
5 reaffirmed this principle in saying: "If the
6 Government is to give any special support, it should
7 be in a manner that infringes neither the freedom
8 of the press nor the reading preference of the
9 public."

10 5 We conclude therefrom that the efforts and
11 conclusions of this Commission will be directed
12 solely to such positive action as may be found
13 feasible to assist Canadian publishers and will
14 not recommend negative and punitive legislation
15 limiting either the freedom of publishers to
16 publish what they like (always within the realm
17 of what is legal) or the freedom of the Canadian
18 people to read what they like, from whatever
19 sources the information may come whether Canadian
20 or non-Canadian.

21 6 Canada cannot isolate itself and confine
22 itself to provincial and parochial views, but, on
23 the contrary, is vitally concerned with world affairs
24 and with the attitudes and actions of foreign nations
25 and peoples and their effect on Canadian life and
26 culture. Canada is not only a member of the British
27 Commonwealth of Nations and of the United Nations,
28 but is also a member of the Colombo Plan, NATO, NORAD
29 and many other similar organizations, political, economic
30 and military.



1 Magazines in Canadian Life

2 7 The terms of reference are preceded by two
3 propositions:

4 That Canadian magazines and periodicals add to
5 the richness and variety of Canadian life and are
6 essential to the culture and unity of Canada;
7 and

8 That it has been alleged that because of
9 inequitable competition from foreign periodicals
10 of various forms the publication of Canadian mag-
11 azines has been prejudicially affected.

12 8 To the first proposition we agree to the
13 extent that magazine publishing is one of many springs
14 whose depth and flow vary from country to country,
15 feeding the streams of culture and unity, in the
16 process adding richness and variety to the life
17 of society. The role of magazines is part of an
18 essential whole. It is vital, however, to recognize
19 that the daily and weekly newspaper press, the spec-
20 ialized press, radio, television, the theatre, the
21 concert hall, the schools and many other influences
22 also make essential contributions to culture.
23 As publishers we believe that general magazines do
24 advance the arts and do foster intellectual attainments.
25 The unity which flows from understanding of a common
26 heritage and common concern is indeed promoted by
27 magazines.

28 9 Within the whole field of the periodically
29 printed word the respective roles of the newspaper and
30 the magazine vary substantially in prominence from



1 nation to nation. In the United States, the daily
2 and weekly newspapers in 1959 circulated only one
3 copy for every 2.2 copies circulated by a general
4 magazine. This ratio is remarkably unusual. The
5 Netherlands is the only other country where the
6 circulation of national magazines exceeds the
7 circulation of newspapers. In Belgium the 1959
8 ratio was 2.2 copies of newspapers to one copy of
9 a magazine, and in France the ratio was 1.7 to one.
10 In the United Kingdom in 1959 the ratio was 2.1
11 copies of newspapers to one copy of a magazine. In
12 Australia the corresponding ratio was 2.7 to one,
13 and in New Zealand it was 2.1 to one. In Canada
14 in 1959 the ratio was 2.2 to one. (All these ratios
15 exclude overflow circulations from abroad and inter-
16 national magazine editions of Time, Newsweek, Reader's
17 Digest, etc.)

18 10 We respectfully submit to the Commission
19 that these facts raise a serious question as to the
20 validity of the premise of this inquiry: that
21 Canadian magazines are in great distress. Unless
22 the unique experience of the United States is to be
23 taken as the ideal standard, it would appear that the
24 Canadian public is sufficiently magazine-oriented that,
25 notwithstanding its readership of American publications,
26 the purely Canadian magazines are widely and strongly
27 established in relation to the daily press.

28 11 Even this, however, tells only a small part
29 of the story. It does not take into account a
30 uniquely Canadian publishing phenomenon for which there
is no counterpart in any other country. We refer to



1 the weekend newspaper -- specifically to The Star Weekly
2 (including Star Weekly Magazine), to Weekend Magazine
3 and its French edition, Perspective, to La Patrie,
4 Le Petit Journal, the La Presse supplement and others,
5 with a combined circulation in 1959 of 3,592,817.
6 By any reasonable test, the weekend papers, often
7 calling themselves magazines, should be considered
8 magazines before this Commission. In fact, one of
9 the largest, The Star Weekly, is distributed and sold
10 as a magazine on news-stands at a price comparable
11 to that of magazines. (The only U.S. publication
12 editorially comparable to these weekend magazines
13 appears in the New York Times and is called "The
14 New York Times Sunday Magazine".)

15 12 If we include the weekends with magazines,
16 then the ratio in Canada is one copy of a news-
17 paper sold for each 1.2 copies of a magazine sold,
18 and Canada takes its place with the United States
19 and The Netherlands as one of the three countries
20 in the world in which national magazines exceed
21 newspapers in circulation. This, of course, reflects
22 the interest of Canadians in reading magazine-type
23 publications edited expressly for them while at
24 the same time reading substantial numbers of mag-
25 azines from the United States, the United Kingdom,
26 France, Belgium and other countries.

27 Competitive Forces

28 13 The second proposition in the terms of
29 reference indicates that the Commission should
30 examine into the alleged inequitable competition



1 and only the alleged inequitable competition, of foreign
2 periodicals.

3 14 The competition of other publishers who
4 produce consumer or general magazines resembling
5 in format those of the Canadian publishers,
6 but in other respects wholly different, is only one
7 element in the array of competitive forces. It
8 is essential to have the advertising revenue of
9 consumer magazines in proper perspective in relation
10 to all advertising expenditures. In 1958, all adver-
11 tising in Canada was estimated to cost \$551,000,000 --
12 and magazines received \$17,798.132. Time magazine
13 received \$2,851,700, about one-half of one percent
14 of the total. Thus while magazines compete with
15 each other for advertising revenue they have vastly
16 greater competitors outside their own industry.

17 15 As technology has advanced the art of
18 national broad-casting, both radio and television,
19 to incalculable effectiveness compared with
20 earlier days, this medium of communication has
21 generated sources of support, both public and private,
22 and it already has a dominant share of the advertising
23 dollar.

24 16 The newspapers of Canada have long been
25 the principal medium through which national and
26 international news, attitudes, opinions and events
27 have come to Canadian people. The newspapers have
28 responded to new reader tastes by adopting new
29 editorial standards and new publishing techniques,
30 sharpening their own weapons in the competitive



1 struggle for advertising funds. Daily newspaper
2 publishers have learned how to introduce colour
3 into pages previously black and white. They have
4 developed new sections of their papers in the form
5 of weekend magazines, national or regional in scope,
6 which give to the newspaper reader and the newspaper
7 advertiser a breadth of editorial and mechanical
8 means of disseminating information closely resembling,
9 if not now indetical with, those of the traditional
10 magazine. In fact, as discussed earlier, the
11 weekend magazine must now be considered a magazine
12 both from the point of view of the reading public
13 and from the point of view of the advertiser. The
14 newspapers have ingeniously pre-empted the magazine
15 circulation and advertising market, and they have
16 done so largely through the captive audience of their
17 newspaper readers. This is the true competition of
18 the Canadian magazine publishers and should be so
19 identified.

20 17 The conclusion is inescapable that the
21 Canadian magazine industry in its entirety is
22 flourishing and expanding at a rapid rate and
23 that the competition from foreign periodicals, whether
24 equitable or inequitable, has negligible effect on
25 the health and stability of the magazine industry in
26 Canada. The competition provided by Time is entirely
27 equitable, as will be later shown at length.

28 18 The Commission in examining the alleged
29 inequitable competition from foreign periodicals
30 will keep in mind that it must be inequitable competition,



1 and not honest and fair competition, that the terms
2 of reference indicate is the problem to be considered.
3 It will recognize that, if limitation of the competition
4 of foreign periodicals is possible without diminishing
5 the freedom of the press, it should not reinforce
6 monopolistic tendencies within Canadian publishing.
7 It is manifest that one of the greatest dangers to
8 the freedom of the press is a monopoly by any one man
9 or group of men who could guide and determine the
10 culture and unity of Canada.

11 Competition Within the Magazine Industry

12 19 The magazine field in Canada may be
13 broken down into three or possibly four broad but dis-
14 tinct categories:

- 15 (1) The consumer magazine, including the
16 weekend magazine -- that is to say, a
17 magazine of general interest;
- 18 (2) The agricultural magazine;
- 19 (3) Business publications covering trade
20 and industry, and
- 21 (4) The amorphous mass of what is colloquially
22 known as "pulp" magazines, including comics
23 and confessions, personal histories and
24 daring approaches to pornography.

25 20 Time, The Weekly Newsmagazine, is of general
26 public interest and belongs, therefore, in the category
27 of consumer magazines, to be compared only with
28 those national Canadian magazines and foreign period-
29 icals which because of their circulation in Canada belong
30 in the same category. Foreign periodicals in the



category of consumer magazines may be grouped in three sub-categories: The "overflow" magazines, the "split run" magazines, and the Canadian editions. These categories will be discussed later.

Canadian Advertising in its September-October 1960 issue lists 141 Canadian magazines of general interest comprised within the consumer magazine field, some of which are large and many of which are small, some of which disseminate general knowledge and others of which disseminate knowledge of a more restricted nature. Of these 141 magazines, nine of the leading magazines published by companies owned or controlled by Canadians having circulation at June 30, 1960, in excess of 50,000 are as follows:

	Circulation
Chatelaine	767,304
Liberty	590,563
MacLean's	515,577
The Legionary	238,712
Canadian Homes	133,391
La Revue Populaire	110,641
La Revue Moderne (Chatelaine)	106,303
Le Samedi	80,480
Saturday Night	76,202
and total	2,619,173

There should be added to this the aggregate circulation of weekend magazines, 3,592,817.

The circulation of Time in Canada is 223,073, out of the total circulation of all magazines of 6,211,990.



1 24 The representations by the publishers of
2 Canadian periodicals that gave rise to the appoint-
3 ment of the present Commission are by no means new.
4 Submissions to the Government of Canada were made
5 at least as early as 1923, and repeatedly since,
6 alleging hardship and distress.

7 25 Despite this series of representations and
8 tried-but-abandoned remedies, the publishing business
9 in Canada as an entirety is, by observable signs,
10 in a flourishing state, with substantial and
11 increasing circulation of its publications and
12 substantially increasing advertising and revenues.
13 Whether or not these publishers individually or in
14 the aggregate currently realize a profit or have
15 been realizing profits over recent years is
16 irrelevant, since the question of profit largely
17 depends upon management, the nature of the holding,
18 whether private or public, and many other factors which
19 are not germane to the question of competition from
20 foreign periodicals. The vitality of Canadian
21 magazines in winning, holding and extending substantial
22 readership offers the essential base from which to
23 build economic success.

24 26 It may be relevant for this Commission
25 to examine the bases on which Canadian publishers
26 have constructed their charges to readers and to
27 advertisers, having in mind that an intensive
28 publishing effort requires a firmly aggressive
29 pricing practice in order that the values delivered
30 to both readers and advertisers are adequately compen-



1 27 It should be noted also that publishing
2 houses, as well as other enterprises, may assign
3 value of high order in promoting certain products
4 for prestige reasons alone. A publishing company
5 publishing diversified magazines and periodicals or
6 a company of diversified ventures, whether inside or
7 outside the field of publishing, draws importance
8 and finds extra vitality from the distribution of
9 major journals of information and opinion, whether
10 or not those journals or any of them return a sub-
11 stantial profit on their own.

12 28 It must not be forgotten also that the
13 magazine and periodical industry, throughout the
14 western world at least, has been marginal in its
15 operations. In the United States, despite its
16 importance, the industry has the second lowest
17 profit margin of all major industries, and a return
18 above 2 percent after taxes is very good indeed. If
19 this is true in the United States, it can hardly be
20 expected that in Canada, with its more limited
21 population, its great distances, expenses of dis-
22 tribution and other factors, the magazine industry
23 could show a greater margin of profit, whether or
24 not it has to meet competition from foreign periodicals.

25 29 Magazine casualties in many countries show
26 the hazards of this business. For every publication
27 that has suspended operations in Canada one of even
28 more substantial size has suspended in the United
29 States and Great Britain: National Home Monthly,
30



1 New World and Farmer's Magazine have suspended in
2 Canada; Woman's Home Companion, Collier's, Literary
3 Digest, American Magazine, Pathfinder and Liberty have
4 suspended in the United States (though the Canadian
5 off-shoot of Liberty survives); Picture Post,
6 Illustrated and Everybody's have suspended in Great
7 Britain.

8
9 TIME, THE WEEKLY NEWSMAGAZINE, IN CANADA

10
11 30 Time, The Weekly Newsmagazine, was first
12 published in March, 1923, by Time Incorporated, a
13 U.S. corporation. Its circulation in Canada was
14 \$41,700 in May, 1943, when the first issue of a
15 separate Canadian edition was published.

16 31 In January, 1944, a section was added called
17 Canada at War, consisting of two pages of distinctive
18 Canadian news, one of which was also carried in
19 the United States and other wartime editions.

20 32 Time sent its first staff correspondent into
21 Canada in 1944 to establish a news bureau at Ottawa.
22 Early in 1945, coincident with the publication of
23 a cover story on the then Prime Minister, the regular
24 Canadian news space was increased to three pages.

25 33 By 1950, the circulation of the Canadian
26 edition of Time exceeded 120,000. Time Incorporated
27 was operating four offices for news-gathering, adver-
28 tising solicitation or newsstand sales in Ottawa,
29 Montreal, Toronto and Vancouver, employing 18 people.
30 In additon, Time employed some 30 stringer corres-
pondents, men and women working full time in Canadian



1 journalism and devoting spare time to suggesting
2 and reporting news of Canadian activities to the
3 editors of Time.

4 34 The first offices for the solicitation
5 of advertising in the Canada edition were opened
6 in 1946. In that year, Time carried a total of
7 797 pages of advertising in its fifty-two issues
8 in Canada.

9 35 In the year 1949 this advertising total
10 had risen to 1,128 pages. The editorial, circula-
11 tion and advertising activities had reached such
12 proportions in Time Inc. operations that first
13 steps could be taken in 1950 toward the establish-
14 ment of a separate Canadian operation.

15 36 During the year 1950 consideration was
16 therefore given to the incorporation of a Canadian
17 company with the objective of making the Canadian
18 operations separate and integrated. An investigation
19 was made into the possibilities of printing, mailing
20 and distributing the magazine from Canada, of
21 necessity leaving the writing and editing work in
22 the head office, where the news from Canada and from
23 other parts of the world was correlated.

24 37 It was not then feasible nor is it feasible
25 or advantageous today to carry out final editing in
26 Canada. The weekly planning, research, writing,
27 editing and composing of the editorial contents of
28 Time must be concentrated under the immediate super-
29 vision of the Managing Editor.
30



1 38 Since beginning explicit staff-directed
2 coverage of Canadian affairs, Time has hired
3 Canadians or men experienced in Canadian journalism
4 to provide at the editing center in New York the
5 understanding and perspective necessary for week-
6 to-week handling of Canadian news.

7 39 News is gathered in Canada not only for
8 the Canadian section but also for the other depart-
9 ments of Time. News is also gathered by correspondents
10 of Time in other parts of the world for inclusion
11 in the Canadian section.

12 40 The integration of Time's Canadian activities
13 in all areas of publishing other than editorial was
14 achieved in 1952 with the incorporation of Time
15 International of Canada Limited (hereinafter sometimes
16 referred to as Time International) under the Com-
17 panies Act of Canada, with its Head Office in
18 Montreal, as a wholly owned subsidiary of Time Incor-
19 porated.

20 41 Continued efforts were made to find manufact-
21 uring facilities within Canada to print the Canada
22 edition. These met with difficulties. No printer in
23 Canada had available the presses and related binding
24 and mailing equipment required for the production of
25 Time. Canadian printers faced the necessity of
26 buying new equipment designed to Time's specifica-
27 tions, with no assurance that printing work could be
28 obtained from other sources to utilize the equipment
29 and its crews of operators economically in the larger
30 part of every week when the Time job would have been



1 completed.

2 42 Further efforts were suspended during the
3 period of the excise tax on advertising revenues
4 of Canadian editions of foreign periodicals.
5 After repeal of the excise tax, investigations and
6 negotiations were resumed and at the present time
7 have been carried almost to completion with an
8 established Canadian printing company. It is expected
9 that before the end of the year a contract for the
10 printing of Time Canada in Canada will have been
11 executed. The special presses and related equipment
12 will then have to be manufactured, installed and
13 tested. This will take approximately eighteen months,
14 at the end of which the Canadian edition will be
15 entirely printed, mailed and distributed within
16 Canada.

17 43 Time International now employs in Canada
18 32 full-time persons (all but three of whom are Canad-
19 ian citizens) and, in addition, has as many as 75
20 Canadian part-time correspondents on its payroll.
21 Time purchases its entire paper requirements for
22 the Canadian edition in Canada. When printing
23 begins here there will be, in addition to out-
24 lays in this country for administrative expenses,
25 office overhead, advertising promotion and sales,
26 miscellaneous printing, other operational expenses
27 and provision for Provincial and Federal taxes,
28 the costs incurred in Canada for the manufacturing,
29 mailing and distribution of the magazine.
30



1 44 At present, Time International expends in
2 Canada approximately one-half of its Canadian revenues.
3 This proportion will rise to approximately 80% when
4 the additional manufacturing operations have been
5 brought within the Canadian economy.

6 45 It should be remembered that the worldwide
7 editorial operations of Time, as distinct from the
8 mechanical printing and distribution necessities of
9 the Canadian or any other edition, are one broad
10 fabric woven by years of work in world news coverage.
11 Time Canada, Time Latin America, Time Atlantic,
12 Time Pacific and Time U.S. all contribute to the
13 general revenue which makes possible the publishing
14 of Time, The Weekly Newsmagazine. The revenues of
15 all the editions determine the scope, quality and
16 capacity of Time's editorial and publishing operations,
17 and no one edition is a by-product of another.

18 46 The structure of cost has become indivisible,
19 and Time Canada must bear its fair share of these
20 costs.

21 47 What is happening today and what will
22 continue to happen when printing is done in Canada
23 is evidenced by a comparison of unit income rates
24 and unit cost rates of Time U.S. and Time Canada in
25 each of the revenue and expense areas which appear
26 on the profit and loss statements of a publishing
27 company.

28 48 On the revenue side:

29 The newsstand price is identical in the
30 U.S. and in Canada (25 cents);



1 Subscription prices likewise are identical
2 (\$7.00 per year);

3 The advertising rate per page per 1,000 of
4 circulation of Time Canada is \$8.26 and has been
5 rising steadily, whereas the rate per page per 1,000
6 of Time U.S. is \$5.40. In other words, the unit
7 advertising rate of Time in Canada is 53% above
8 that of the U.S. edition.

9 49 On the expense side:

10 Production costs are now 27% above the
11 comparable figure for the U.S. edition;

12 Distribution costs are 68% above comparable
13 U.S. figures;

14 Advertising promotion costs in Canada, in
15 relation to advertising revenue, are 31% lower than
16 in the U.S.;

17 Circulation promotion costs in Canada, in
18 relation to circulation revenue, are 48% below the
19 U.S. figures;

20 Advertising selling costs in Canada are 113%
21 higher than in the U.S.;

22 Administration costs in Canada are about
23 200% higher than those of the U.S.

24 50 Certain conclusions may be drawn from this
25 analysis:

26 (1) The level of Time Canada's physical
27 costs (production and distribution) is much higher
28 than for the U.S. edition and consequently Time
29 Canada has not benefitted in the past from printing
30 and distributing in the United States rather than

in Canada



(2) The fact that advertising and circulation promotional costs are markedly under those in the United States testifies both to the spontaneous acceptance of Time in Canada and to the evident desire of the publisher not to inundate the Canadian market with promotional materials.

(3) To meet these costs, Time has found it necessary to charge the same price to Canadian readers as in the United States (in fact, only recently did the U.S. edition raise its price to the Canada level); and in the case of advertising the rate charged in Canada is half again higher.

(4) The overall cost-income structure reflects a series of professional publishing judgments designed to make Time Canada stand on its own feet.

Time and the Canadian Way of Life

51 It is respectfully submitted that the Canadian edition of Time, not only in its Canadian section but throughout, and the other editions of Time add in large measure to the richness and variety of Canadian life and to the culture and unity of Canada.

52 Time, The Weekly Newsmagazine, is made up of many editions: Time Canada, Time Latin America, Time Atlantic, Time Pacific and Time U.S., and in 1961 Time Asia, Time South Pacific and Time Africa will be added. It is distributed to all parts of the earth, even including a small percentage behind the Iron Curtain. It has correspondents also in most parts of the world.



1 53 All of these editions are substantially
2 the same in content, the only important exceptions
3 being that Time Canada and Time Latin America carry
4 separate editorial sections, in the case of Canada
5 dealing with Canadian affairs, and in the case
6 of Latin America dealing with events anywhere in
7 Latin America.

8 54 Time Canada, in addition to the Canadian
9 section, also frequently carries in its other
10 sections, news of Canada, whether cultural, artistic,
11 scientific or literary, under the appropriate headings.
12 All of this material is, of course, also carried in
13 the other editions of Time. Furthermore, articles
14 in the Canadian section frequently appear in all
15 other editions of Time. Indeed so much Canadian
16 news is carried in Time that it may be said confi-
17 dently that no other journal provides as much infor-
18 mation about Canada to as many readers throughout the
19 world.

20 55 It can hardly be questioned, therefore,
21 that not only does Time Canada bring richness and
22 variety to the Canadian way of life, but -- perhaps
23 just as important -- communicates that varied
24 richness to the rest of the world.

25 56 Time's news of Canada is developed by a
26 corps of highly trained staff and part-time
27 correspondents working in Canada, and by an editorial
28 team of ten persons in the New York editorial office,
29 equally trained in Canadian affairs, two of whom are
30 Canadians and all of whom have had journalistic



1 training and experience in Canada. These professional
2 journalists give to their Canadian reporting assign-
3 ment the same skill, intensity and devotion as is
4 required of all editorial personnel working for
5 Time anywhere.

6 57 As we have shown above, some of this work
7 sees print only in the Canadian section of Time Canada
8 each week, but much also goes to the readers of
9 Time in all countries in exactly the same form as
10 it goes to the readers within Canada. Articles of
11 a specialized sort, such as those dealing with religion,
12 medicine, art, music, the theatre or books, are
13 usually prepared by the editors responsible for
14 those sections of Time, but they do draw on the
15 reportage of the correspondents working in Canada.

16 58 Should the members of the Commission wish,
17 the full array of this Canadian news presentation
18 for a period can be made available, but as an
19 illustration of its scope we attach hereto a booklet
20 entitled "In Our Time" constituting highlights of
21 fifteen years of Canadian news as it has been reported
22 in Time.

23 59 As further illustration of the variety of
24 Canadian life that is reflected not only in Time
25 Canada but in the other editions, we cite a
26 few recent examples of stories appearing not only
27 in Time Canada but in every edition of Time:

28 The opening of the Beaverbrook Art Gallery
29 at Fredericton in four pages of colour pictures plus
30 substantial text.



1 Two heavily illustrated pages of the new
2 lithographs done by the Eskimos of the Eastern Arctic.

3 Two pages with a map detailing recent
4 developments in the Canadian North.

5 A cover story, July 29, 1959, on Queen
6 Elizabeth on the occasion of her visit to open
7 the St. Lawrence Seaway. This article dealt with
8 the role of the Queen as Queen of Canada. Nine
9 thousand copies of the article were ordered dis-
10 tributed by the Commonwealth Relations Office at
11 London. A high official of the United Kingdom
12 described it as the finest explanation of the
13 Commonwealth he had ever seen in print.

14 A story of eight pages on the Seaway,
15 including six pages of colour photographs of the
16 course of construction. This article properly
17 stressed Canada's dominant part in the Seaway pro-
18 ject and the fact that two-thirds of the cost borne
19 by Canada.

20 The British Columbia Centennial, with six
21 pages of colour photographs.

22 Canadian artists, musicians and writers
23 such as Glen Gould, George London, Lois Marshall,
24 Brian Moore and others have been the subject of
25 stories in the appropriate sections of all editions
26 of Time.

27 The special place of the Stratford Festival
28 in the Shakespearean revival was reported in a cover
29 story on William Shakespeare.



Many articles have appeared in the Medicine and Science sections on the researches of Canadian scientists.

60 Taken all in all, the information which Time consistently conveys to Canadians about Canada contributes to the web of understanding and common concern without which there can be no effectual unity in Canadian life. Since much of this information appears in all editions of Time, not only are the Canadian people informed of the richness and variety of Canadian life and its culture, but people abroad see these characteristics as well.

61 We invite the Commission to consider whether Time Canada is not in all essential respects a Canadian periodical, having regard to the character and quality of its contents and the nature of its publishing operations.

COMPETITIVE POSITION OF THE MAGAZINE INDUSTRY

Magazine Publishing

62 Despite competition from other media, the magazine industry has grown substantially in the last ten years (since the year 1950 when Time took the first steps to integrate its Canadian operations), both in circulation and in advertising revenues.

63 Average paid circulation in 1950 of the twelve magazines alone reporting their advertising revenues to the Magazine Advertising Bureau of Canada amounted to 2,780,273 copies per issue. The same magazines (although one of them had been



1 merged into another) reported an average paid
2 circulation of 3,554,585, in 1959.

3 64 Advertising revenues of these same magazines
4 (as reported to the Magazine Advertising Bureau) rose
5 from \$9,823,794 in 1950 to \$20,869,898 in 1959,
6 exceeding the rate of increase in gross national
7 product.

8 65 To these figures, it is our submission, should
9 be added those of weekend magazines, which in 1950
10 had a circulation of 2,234,210 and advertising
11 revenues of \$7,695,486, and in 1959 had a circulation
12 estimated at 3,592,817 and advertising revenues
13 estimated at \$20,000,500.

14 66 Thus the magazine industry as a whole
15 increased its circulation from 5,014,483 in 1950
16 to 7,147,402 in 1959, and advertising revenues over
17 this period rose from \$17,519,280 to \$40,870,398.

18 67 This is not the whole story for consumer
19 magazines. Besides those reporting to the Magazine
20 Advertising Bureau, there are many others available
21 to advertisers as listed by Canadian Advertising.
22 In 1950, there were 108 on that list, and today they
23 number 141. The advertising revenues of these
24 additional consumer magazines are estimated at
25 \$900,000 in 1950 and \$1,500,000 in 1959.

26 68 In absolute gains, business papers have
27 a somewhat better result in that their advertising
28 revenues increased from \$12,180,304 in 1950 to an
29 estimated \$29,765,450 in 1959, and the number in
30 the field (as listed in Canadian Advertising) rose



1 from 387 to 503.

2 69 The last of the periodicals is the farm
3 or agricultural publication. It is apparent that
4 such magazines have faced a somewhat different
5 general condition than other periodicals, reflecting
6 the changes in farm life in Canada and the growing
7 industrialization and urbanization. As a
8 consequence, their national advertising receipts
9 have risen less substantially. They aggregate in
10 1950 \$6,277,804; in 1959, they were \$7,470,804.

11 Other Media

12 70 National advertising expenditures in daily
13 newspapers (as distinct from local advertising) totalled
14 \$23,791,541 in 1950. For 1959, their gross national
15 revenues were \$48,985,426.

16 71 Figures on radio's role as a competitor for
17 the national advertiser's dollar are not available
18 for the years 1949 to 1952. From 1953 to 1959,
19 national advertising expenditures in radio rose from
20 approximately \$21,400,000 to approximately \$26,900,000.

21 72 Television, of course, is today one of the
22 largest competitors for the advertiser's appropriations,
23 on a national scale somewhat exceeding even the
24 daily newspapers, but it must be remembered that
25 television came into effective competition only in
26 1953, when it had an estimated revenue from this
27 source of some \$5,300,000. It became a substantial
28 competitor in 1955 when its revenue from national
29 advertising was \$23,500,000, rising in 1959 to
30 approximately \$53,000,000.



73 The foregoing figures show that in the last
10 years the magazine industry's growth has been
in step with and comparable to the growth of all
other media and the total national product. In
1959 almost 40 cents out of every national advertising
dollar was spent in magazines and periodicals. In fact
the magazine industry took more dollars from
national advertising budgets than newspapers or
radio or television.

Time's Competitive Place

74 In the period of the 1940's, the end of
the war and the first years of postwar reconstruction,
the consumer magazine field was substantially
broadened and reinforced by Time's rising circulation
and advertising. Several major categories of adver-
tising took on respectable size in magazines during
this period. Other competitive media were themselves
taking new strides. Without Time, the magazine field
as a medium for advertising might well have been
anaemic. The magazine field had to have
sufficient breadth and range, and prove that it
had them, to warrant the concentration of an advertiser's
efforts and money. Not even the biggest of the
giants in advertising can afford to use all advertis-
ing media. Even they face limitations of budget.

75 Another way of expressing this is that
advertising appropriations for magazines often
depend on a decision that magazines as a whole warrant
advertisers' use instead of some other media. Thus,
many of the dollars invested in Time guaranteed the



ANGUS, STONEHOUSE & CO. LTD.
TORONTO, ONTARIO

expenditure of other dollars in other magazines,
because the advertiser had committed his effort to
magazine advertising, and the only question would
be which or all of the Canadian magazines he would
use.

76. If Time had been withdrawn from the Canadian
magazine field in the 1940's, a substantial amount
of advertising would have left the magazine field,
and those advertisers remaining with it would
not automatically have diverted their Time appro-
priation to increased use of the other magazines.

77 In 1950, when Time had 120,000 circulation
and charged advertisers \$660 for a single black and
white page, it drew 287 different advertisers
spending in Time a total of \$1,176,687. That same
year, these and other advertisers spent \$8,647,107
in other consumer magazines.

78 Last year, Time averaged 207,000 circulation,
had a page rate of \$1,575, attracted 356 advertisers
and received from them \$3,946,127. Other consumer
magazines received from these and other advertisers
\$16,923,124. In ten years, Time's advertising revenues
went up \$2,770,087; the revenues of the other
consumer magazines rose by \$8,276,017.

79 Here it can be seen that Time developed
with vigour, both in readership and in its consequent
acceptance by advertisers. These gains demonstrated
the vitality of Time, its competitors and all of
them together as an industry.

80 We would draw the Commission's attention
to the fact that, in the period of the Federal
excise tax on advertising in Canadian editions.



1 of foreign periodicals, this growth of magazine
2 advertising suffered a set-back. Between 1956
3 and 1958 inclusive, the total revenues of consumer
4 magazines declined from \$19,495,891 in 1956 to
5 \$19,354,130 for the year 1958. This decline must
6 be set against the increases which were registered
7 by the major competing media without exception.
8 Confusion, uncertainty and extraordinary rate
9 increases of the tax period were disturbing to
10 advertisers, and some of them stayed aloof from
11 the magazine field and devoted their money and
12 effort to the marketing of their goods and
13 services by other methods.

14 81 We submit that the substance of the
15 experience of the Canadian publishing industry
16 is that the intervention of the Government
17 into this field in this case was harmful. We
18 submit further that similar consequences can be
19 expected to flow from any other form of Government
20 intervention which seeks to alter the economic
21 situation of Canadian publishers by affecting
22 the conditons under which readers and advertisers
23 express their preference among magazines or among
24 all advertising media.

25 82 There is no need for special legislation
26 to regulate the activities of the publishing
27 industry, since the publishing industry, although
28 always entitled to maintain its rights of freedom
29
30



1 of the press, must always exercise that freedom
2 within the confines of all other Canadian laws.

3 83 Time regards its future prospects in Canada
4 as dependent on the strength and welfare of the
5 Canadian magazine industry of which it is a part.
6 Any attempt, however well meant, to adjust the
7 free play of forces within this industry can
8 very well create a highly destructive result for
9 all.

10
11 LIFE, SPORTS ILLUSTRATED AND FORTUNE IN CANADA

12
13 Overflow

14 84 There appears to be common ground within
15 the publishing industry of Canada for the statement
16 that the circulation in Canada of foreign periodicals
17 in exactly the same version as published in the
18 country of origin ("overflow" circulation) is not
19 a primary issue for consideration by this Commission.

20 85 Apart from any other factors, any
21 attempt to alter or impede the flow of good, high
22 quality magazines from abroad would be to restrain
23 the freedom of the press in Canada and the freedom
24 of choice of Canadians as to the matter which they
25 read. It would be to deprive the Canadian public
26 of the opportunity of learning the views and news
27 not only of its neighbouring country but of countries
28 throughout the world, with the result that Canadian
29 thought and intelligence might become provincial or
30 parochial.



1
2 86 There are indeed elements of competition
3 for Canadian publishers in this overflow circulation.
4 It may well be that a reader buying a magazine from
5 some other country is less ready to purchase a
6 Canadian magazine in a similar field. Against
7 this conceivably depressing effect on demand for
8 Canadian publications, it will be recognized that
9 the flow of magazines from abroad increases the
10 acceptance of magazines generally as a source to
11 be relied on for information and attitudes on the
12 affairs of the day.

13 87 There is likewise in some respects
14 a consequence for Canadian advertising. Many
15 companies manufacturing the same or similar
16 products in Canada as are manufactured in the
17 United States or in the United Kingdom, particularly
18 including those goods which have the same brand name
19 or trade mark in two or more of the countries,
20 derive some benefit from the exposure of their
21 products in the foreign periodical as it is read
22 in Canada. This value is minimal inasmuch as models,
23 sizes, colours and prices tend to vary materially
24 from one country to another, and the Canadian
25 reader tends to discount the applicability of
26 such advertising to his selection of goods or ser-
27 vices within Canada.

28 88 However, in the context of this subject
29 there belongs an accounting of the circulation
30 within Canada of the other magazines published by
Time Incorporated.



89 In 1959, the average circulation of Life in Canada was 267,000 copies per week out of Life's total circulation in that year of 6,278,000. Sports Illustrated, another weekly magazine, had in 1959 an average circulation in Canada of 40,000 out of its total circulation in that year of 891,000. Fortune had in 1959 an average monthly circulation in Canada of 14,000 out of its total circulation in that year of 319,000.

90 To complete the picture of Time Incorporated's publications in Canada, reference should be made to two trade publications, both monthly magazines in the architectural field. Architectural Forum had a circulation in Canada in 1959 of 2,900 out of a total circulation in that year of 60,900. House & Home had in 1959 an average circulation of 6,600 in Canada out of the total circulation in that year of 121,300. These two magazines are not sold on newsstands or by subscription in competition with consumer magazines in either country, whatever the coincidence of name might suggest. They are restricted in their circulation to professionals such as architects, engineers and builders.

91 All of these publications in varying degree add to the richness and variety of Canadian life and its culture.

92 Life, in its 24 years of publication, has consistently treated in text and in photo journalism a variety of Canadian personalities, situations and events, bringing to all of them precision, care,



1 grace and artistry. We are sure that members of the
2 Commission are familiar with Life's scope and quality,
3 and we do not feel it necessary to cite examples.
4 However, a list of Life's recent articles is attached
5 hereto.

6 93 The circulation of Sports Illustrated
7 brings to the Canadian public, as it brings to
8 all other peoples who read it, an interest in and
9 appreciation of sports and the part that athletic
10 activities play in the life of the community.
11 Sports Illustrated reports Canadian outdoor and
12 sports activities in text and picture as listed
13 in the appendix. Among recent articles were
14 Grey Cup football, Queen's Plate racing, Maurice Richard
15 in his last professional hockey season, the dramatic
16 and tragic Northwest Territories expedition of a
17 party of young canoeists, and Anne Heggtveit's
18 victory at the 1960 Winter Olympics.

19 94 Fortune concentrates on the individuals,
20 the enterprises and the far-reaching trends in
21 economic and political life. In the course of
22 30 years of this work, it has treated often of
23 the changes and the growth in the Canadian economy.
24 Noteworthy in this respect was a single issue in
25 1952 in which half of the articles dealt with
26 Canadian subjects, making of that issue a special
27 report on conditions within Canada. Other
28 examples can be found in the appendix.

29 95 While the editors of Life, Sports
30 Illustrated and Fortune would in the normal course



1 of their assignments be aware of the many facets
2 of Canadian life, they have journalistically
3 benefitted from the intense coverage of Canada by the
4 correspondents in Canada concentrating primarily
5 on the flow of Canadian news for Time. Since
6 all these magazines share a corporate home and
7 central editorial office, the reportage done for
8 Time has gone also to the editors of Time's sister
9 publications. Repeatedly, situations directed
10 primarily to the attention of the editors of
11 Time have provided the editors of Life, Sports
12 Illustrated and Fortune with leads to stories which
13 they then undertook to present through their own
14 magazines.

15 Split-runs

16 96 It is to be assumed that within the
17 terms of reference of this Commission the members
18 will wish to examine the instances in which foreign
19 magazines have permitted advertisers to direct
20 special messages to their Canadian readers. This
21 process, called the "split-run", involves substituting
22 different advertising matter in the Canadian portion
23 of the press run of the periodical.

24 97 In 1960, Life, at the request of Seagram
25 Distillers Company of the United States, a subsidiary
26 of the Distillers Corporation (Seagram) Ltd. of
27 Canada, for a period of nine issues substituted
28 in the copies to be distributed in Canada advertisements
29 for a brand of whisky which is marketed in Canada
30 but sold, if at all, only in the most limited quantity



1 in the United States, for another brand which the
2 U.S. Company markets in the United States but
3 which, in turn, has no or a very limited market
4 in Canada. The controlling element in this situation
5 was the then obtaining set of provincial regulations
6 governing alcoholic beverage advertising in Canada,
7 which have since been completely changed by
8 new regulations adopted in July by the Province of
9 Ontario and which may be substantially or in part
10 adopted as the pattern for liquor advertising regu-
11 lations in other provinces of Canada.

12 98 Again in unusual circumstances, one other
13 advertiser inserted Canadian advertising in one
14 other issue of Life.

15 99 These two instances are exceptional as
16 it is not and has not been Life's policy to
17 accept split-run advertising for Canada.

18
19 SUMMARY

20
21 It is respectfully submitted:

22 1. Fundamental in this enquiry is the
23 safeguarding of the freedom of the press within
24 the framework of the Canadian Bill of Rights.
25 "Freedom in thought and speech and disagreement
26 in ideas and beliefs on every conceivable subject,
27 are of the essence of our life." (Rand J., in
28 the Supreme Court of Canada, in the Alberta Press
29 Case.)
30



1 2. The magazine industry is in a
2 healthy state. Its increase in circulation and
3 in advertising revenue is comparable to that of
4 other competing media and has moved in step with
5 the rise in national product. It receives more
6 of the national advertising dollar than any
7 other competing medium.

8 3. The magazine industry is, neverthe-
9 less, generally marginal in its operations from a
10 profit point of view and, in the case of Canadian
11 publishing, the results for any one periodical
12 are related to the closely held nature of the
13 companies and the advantages that accrue to the
14 publishers in their total activities.

15 4. Time, The Weekly Newsmagazine, by
16 its reporting of Canadian affairs, enhances the
17 unity and culture of Canada and communicates
18 the richness and variety of Canadian life not
19 only to the people of Canada but also to people
20 in other countries.

21 5. Time has helped the growth of the
22 Canadian magazine industry, particularly in its
23 acceptance as an advertising medium.

24 6. Time, when it completes its negot-
25 iations for printing in Canada, will be reinvesting
26 in Canada approximately 80 percent of its
27 Canadian revenues.

28 7. The Canadian edition of Time is
29 essentially a Canadian periodical carrying its fair
30 share of the expense of publishing all editions of



1 Time. Its rates for subscription and newsstand sales
2 are the same as in the United States, and its adver-
3 tising rates are higher; production, distribution
4 and administration costs are higher on a unit basis,
5 and its advertising and circulation promotion costs,
6 conversely, are lower on a unit basis, than in
7 the United States.

8 8. Other publications of Time Incorporated
9 which circulate freely in Canada also add to the
10 culture of Canada and, it is assumed, are not primary
11 issue for consideration by the Commission. The
12 two split-runs in Life were exceptional and not a
13 matter of policy.

14 9. Time regards its future prospects
15 in Canada as dependent on the strength and vitality
16 of the Canadian magazine industry of which it is
17 a part. Any attempt, however well meant, to adjust
18 by legislation the free play of forces within the
19 industry will have a destructive result.

20 Respectfully submitted,

21 Time International of Canada Ltd.

22 per:

23 LAWRENCE E. LAYBOURNE,

24 Managing Director.

25 Montreal, October 20, 1960.
26
27
28
29
30



ANGUS, STONEHOUSE & CO. LTD.
TORONTO, ONTARIO

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APPENDIX E - (Initial Submission by TIME)

COMPARATIVE NEWSPAPER AND LOCAL GENERAL-MAGAZINE CIRCULATIONS IN REPRESENTATIVE COUNTRIES

	Total Newspaper Circulation	Ratio, Newspapers to Magazines (news. to mags.)	Total Local General Magazine Circulation*
Argentina	2,992,181	1.01:1	2,985,000
Australia	7,431,204	2.7 :1	2,734,400
Belgium	2,898,718	2.2 :1	1,301,547
Brazil	3,197,546	1.7 :1	1,868,500
Canada	4,446,030	2.2 :1	1,971,678
Chile	998,800	3.5 :1	279,000
France	11,651,584	1.7 :1	6,740,961
Great Britain	52,539,041	2.1 :1	24,953,000
Japan	42,181,260	10.3 :1	4,100,000
Mexico	1,700,686	9.2 :1	185,000
Netherlands	1,624,958	1 :1.8	2,948,710
New Zealand	931,249	2.1 :1	442,500
Norway	1,340,172	1.5 :1	881,729
United States	77,604,000	1 :2.2	170,314,000
Uruguay	658,850	34.6 :1	19,000
Venezuela	631,829	2.3 :1	275,000

* Does not include international magazines, e.g., Reader's Digest, TIME, LIFE Int'l. etc.

Sources: Newspapers, Editor & Publisher 1960; Magazines, Reader's Digest 1960 research



ANGUS, STONEHOUSE & CO. LTD.
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APPENDIX F - INITIAL SUBMISSION BY TIME

<u>CIRCULATION OF WEEKEND MAGAZINES</u>			(As reported in Canadian Advertising 1950 and 1959)
<u>Title</u>	<u>1950 Circulation</u>	<u>1959 Circulation</u>	
Star Weekly	926,300	933,036	
Ensign	72,867	--	
Le Front	39,269	--	
Notre Temps	7,820	15,000	
La Patrie	295,330	201,997	
Let Petit Journal	198,721	243,908	
Photo-Journal	89,696	132,721	
La Presse	262,563	262,153	
Standard	320,890	--	
(Perspectives (Weekend	(started 1951)	1,783,006	
Nfld. Sunday Herald	20,754	20,996	
TOTALS	<u>2,234,210</u>	<u>3,592,817</u>	

.....

<u>1959 Only</u>	<u>Circulation</u>
Flash	53,082
L'Action Catholique	59,382
Allo Police	80,000
Globe & Mail Weekly	229,245
Dimanche Matin	25,000
Le Grand Journal	25,000
Le Journal Des Vedettes	60,000
Nouvelles Industries	75,656
Parlons Sports	24,310
Vrai	<u>14,600</u>

646,275

(Understand these last 1959 papers not included in
Maclean-Hunter estimated revenue figure)

1944 to 1960 CIRCULATION AND ADVERTISING REVENUES OF CANADIAN GENERAL MAGAZINES



ANGUS, STONEHOUSE & CO. LTD.
TORONTO, ONTARIO

36

Year	Total Circulation of General Magazines (June 30 ABC)	Population of Canada (In Millions)	Total Ad Revenue General Magazines	G.N.P. (In Billions)
1944	1,311,424	11.946	\$ 4,288,890	11.9
1945	1,364,879	12.072	5,464,523	11.8
1946	1,482,844	12.292	6,472,859	12.02
1947	1,574,791	12.551	7,511,137	13.8
1948	1,753,235	12.823	8,384,764	15.6
1949	2,553,592	13.447	8,263,846	16.5
1950	2,780,273	13.712	9,823,794	18.2
1951	2,913,651	14.009	11,900,682	21.5
1952	2,972,915	14.459	12,944,437	23.3
1953	3,070,198	14.845	15,442,492	24.5
1954	3,120,242	15.287	16,098,898	24.3
1955	3,259,698	15.698	17,434,225	26.9
1956	3,475,116	16.308	19,495,891	30.6
1957	3,662,727	16.860	20,046,551	31.8
1958	3,804,047	17.241	19,354,130	32.6
1959	3,554,585	17.650	20,869,898	34.6
1960	3,653,643	17.930	* 23,224,051 (*-Estimated Only)	* 35.04
% Increase 1944-60	178.6%	50.1%	441.5%	193.2%
Sources - Circulation - June 30 ABC figures 1944-48 Revenue - Elliott Haynes 1949-59 Revenue - Magazine Advtg. Bureau G.N.P. and Population - D.B.S.				

Note: In Paragraph 14, Page 4, of Exhibit No. 1 - the figure for 1958 revenue appears as \$17,798,132. This is net revenue as computed by D.B.S. In the above table all revenues are as reported 1944 to 1948 by Elliott Haynes and 1949 to 1959 by M.A.B., without deducting commissions or discounts.



ANGUS, STONEHOUSE & CO. LTD.
TORONTO, ONTARIO

GROSS NATIONAL ADVERTISING EXPENDITURES IN CANADA

<u>Year</u>	<u>General Magazines</u>	<u>Daily Newspapers</u>	<u>Weekends</u>	<u>Farm Papers</u>	<u>Business Papers</u>	<u>Radio</u>	<u>Television</u>
1950	\$ 9,823,794	\$23,791,541	\$ 7,695,486	\$ 6,277,804	\$12,180,304	n.a.	n.a.
1959	20,869,898	48,985,426	20,000,500	7,470,775	29,765,450	\$26,900,000	\$53,000,000

SOURCES

1950 Figures - Magazines - Magazine Advertising Bureau Dec. 31/50 report
Daily Newspapers - Elliott Haynes Research
Weekends, Farm and Business Papers - D.B.S. figures - Net figures brought up to Gross by adding 17.65%
TV and Radio - not available

1959 Figures - Magazines - Magazine Advertising Bureau Revised Report for Dec. 31/59
Daily Newspapers - Elliott Haynes Research
Weekends, Farm and Business Papers - Maclean-Hunter Research Dept. Estimates - Net figures brought up to Gross by adding 17.65%.

TV and Radio - Estimates by Broadcasting Advertising Bureau -

.....

The Broadcasting Advertising Bureau also supplied figures for TV and Radio:

	<u>1953</u>
Television -	\$5,300,000
Radio -	\$21,400,000
<u>1955</u>	
Television -	\$23,500,000



ANGUS, STONEHOUSE & CO. LTD.
TORONTO, ONTARIO

APPENDIX I - INITIAL SUBMISSION BY TIME

GROSS NATIONAL ADVERTISING REVENUES - MAGAZINES

<u>1950</u>	- D.B.S. figure - Net brought to Gross (by adding 17.65%)	-	\$10,717,915	
	Magazine Advertising Bureau figure -Dec. 31/50 report	-	9,823,794	
	DIFFERENCE (Those Magazines not reporting to M.A.B.)	-	\$ 894,121	or roughly \$900,000
<u>1959</u>	Maclean-Hunter Estimate -- Net brought to Gross (by adding 17.65%)	-	\$22,471,150	
	Magazine Advertising Bureau figure - Revised Dec. 31/59 report	-	20,869,898	
	DIFFERENCE (Those magazines not reporting to M.A.B.)	-	\$ 1,601,252	or roughly \$1,500,000

APPENDIX J - INITIAL SUBMISSION OF TIME

CANADIAN NEWS IN U.S. EDITION OF TIME 1959



ANGUS, STONEHOUSE & CO. LTD.
TORONTO, ONTARIO

Issue Date	Section	Sub-Title	Space in Column Inches	Totals per Issue	
				No. Articles	Space in Inches
January 5	The Hemisphere	CANADA - A year of discovery (Cdn. economy)	8½"		
	"	- Handbook for Neighbors (Hays-Coffin Report)	7"		
	Milestones	Died - Eva Gauthier, Cdn.	½"		
	Miscellany	Ultimate Test - Cooksville item	1"		
	Science	Icebergs - containing Canada reference of	5"		
	Time Listings	Li'l Abner in Toronto	1"		
		The Warm Peninsula - in Toronto	1"		
	National Affairs	- Mamma's Boy - re murder of Vancouver girl	17"	8	40"
	Foreign News	Great Britain - "Dickie" on Top - mention of Canadians in Dieppe Raid	1"		
	Music	Pop Records - Paul Anka	1"	2	2"
January 19	Business	Cyrus Eaton	10"		
	Miscellany	Drainbow - Cranbrook item			
		Figure 9 - St. Catharines item			
		Postage Due - Niagara Falls item	2"		
	Religion	Mission Boom -	½"		
	Sport	Deadpan Winners - Canadian reference	1"	6	13½"



ANGUS, STONEHOUSE & CO. LTD.
TORONTO, ONTARIO

<u>Issue Date</u>	<u>Section</u>	<u>Sub-Title</u>	<u>Space in Column Inches</u>	<u>Totals per Issue</u>	
				<u>No. Articles</u>	<u>Space in Inch</u>
1959					
January 26	Letters	Man of the Year - letter from Edmonton	1½"		
	Medicine	Against the Bottle -(new drug Temposil)	4½"	2	6"
February 2	Letters	Letter from Toronto -J. Weisblott Letter from Aurora -C. Nelles	1½" 1"		
	Show Business	Trix to Fix Stix -(Li'l Abner in Toronto)	½"	3	3"
February 9	Business	The Get-up-early Man - A.A. Thornbrough of Massey-Ferguson	20"		
	Foreign News	Little Titanic -(contains item re Cdn. aircraft search)	1"		
	The Hemisphere CANADA	A-Bombing for Oil(-Nuclear Blast for Tar Sands)	7½"		
	Letters	Letter from Toronto - Z. Rosol	1"	4	29½"
February 16	Foreign News	Guinea - (Reference to French Cdn. Jesuits)	1"		
	Miscellany	Witness for the Prosecution - Vancouver item	1½"		
	People	Herb Elliott on visit to Toronto	6"		
	Show Business	Radio - This is Whose Life? - (Canadians on Radio Nederland)	2"	4	10½"



ANGUS, STONEHOUSE & CO. LTD.
TORONTO, ONTARIO

Issue Date	Section	Sub-Title	Space in Column Inches	Total per Issue	
				No. Articles	Space in Inches
1959 February 23	The Hemisphere CANADA	Race to the Islands -(Arctic and Prospectors)	15"		
		Letter from Montreal - H.C. Purnell	3"		
		True Faced - Ottawa item	1 1/2"		
	Miscellany	Keystoned - Redcliff item	2"		
	Science	Which Way to the Airport? -(VOR/DME system at Montreal)	2"	5	22 1/2"
	Business	Wall Street - "A wounded animal" -(item on Canadian stock broker)	1"		
March 2	The Hemisphere CANADA	Joint Defenders - (Continental Air Defense)	5 1/2"		
		Letter from Montreal - G.D. McLean	1"		
		Qualifications - Barrie Item	1"		
	National Affairs	The Nation - Duty & Deeds - (Meeting Eisenhower with St. Laurent and Diefenbaker)	1 1/2"		
	Religion	Costly Basilica - (Cdn. widow backs group to build schools and churches)	1"		
	Sport	The Pappy Line- (Black Hawks & Montreal Canadiens)	2"	7	12"
March 9	Letters	Letter from Montreal - N. Tessema	1"		
	National Affairs	Foreign Relations - Visit & Search -			



ARGUS, STOREHOUSE & CO. LTD.
TORONTO, ONTARIO

Issue Date	Section	Sub-Title	Space in Column Inches	No. Articles	Total per Issue Space in Inches
1959					
March 9 (cont'd)	Press	The Columnist's Ball (Editor Scott of Vancouver)	6"		
	Publisher's Letter	Re Canadian Edition	1"		
	Science	Hot Clothes at Idlewild (Investigation re Newfoundland near-crash)	1"	5	41½
March 16	The Hemisphere CANADA	Joey v. Jimmy - (Premier Smallwood of Newfoundland)	4½"		
	National Affairs	Defense - 3,000-mile Watchdogs - (Ballistic Early Warning System)	10"	2	14½"
March 23	Business	"National Security" v. Free Trade (Oil from Canada)	2"		
	The Hemisphere CANADA	Anniversary Crisis - (Logger Strike in Nfld)	19"		
	Religion	The Old Man (Visit of Diefenbaker to Pope)	1½"		
	Sport	Tough & Triumphant (Hockey Team from Belleville in Europe)	7"	6	28½"
March 30	Business	Tycoons - A Fast \$70 Million (Cdn. Financier Chesler)	3"		
		Time Clock - Grace Line - and St. Lawrence Seaway	1½"		



ANGUS, STONEHOUSE & CO. LTD.
TORONTO, ONTARIO

Issue Date	Section	Sub-Title	Space in Column Inches	Totals per Issue	
				No. Articles	Space in Inches
1959					
March 30 (cont'd)	Medicine	Fats & Facts (Cdn. Medical Assoc. Journal)	2½"		
	Milestones	Died - Sydney Earle Smith	1½"		
	Miscellany	Endwise - Ottawa Item	1"		
	Music	Trial Songs of the Met (Cdn. Soprano Stratus)	2"	6	10½"
April 6	The Hemisphere CANADA	One Year Later (recap year under Diefenbaker)	7"		
	Letters	Letter from Kitchener - F. Grespan Letter from Toronto - F. Valerius	1" 1"		
	Miscellany	Sticky Fin - Kenora item	½"		
	Press	Solving the Puzzle (Newspaper contest Racket & two Canadians)	10"		
	Science	Nature's Housekeeper (Wolves from Canada) Ergo, Sum Machine - (Fishing in Nova Scotia)	3½"	7	23"
April 13	The Hemisphere CANADA	Fewer Italians, Please -(re Italian immigration-to Canada)	8½"		
	Science	Survivors? - (Experiments with "Kissing Bug")	12"	2	20½"



ANGUS, STOHERHOUSE & CO. LTD.
TORONTO, ONTARIO

Issue Date	Section	Sub-Title	Space in Column Inches	Totals per Issue	
				No. Articles	Space in Inches
April 20	The Hemisphere	The Bahamas - (Lyford Cay Development - E.P. Taylor)	10"		
	Medicine	Fallout & Hangovers -(Cdn. Boy and Sr-89 in bones)	1"		
	Miscellany	Soft Cell? - Burnaby, B.C. item	1 1/2"		
	Music	Glenn Gould recording - Schoenberg	1 1/2"	4	13"
	The Hemisphere	Cuba - Castro in Canada	1"		
April 27	Sport	The Big-Time Talker - (Stanley Cup Victory -Montreal Canadiens)	18"		
	Time Listings	The Watch That Ends the Night - by MacLennan	1 1/2"	3	19 1/2"
	Business	Eight Hours a Day -(Darvas & Toronto)	1"		
May 4	The Hemisphere	Cuba - (Castro in Canada)	1"		
	" - CANADA	In Business (-St. Lawrence Seaway Opening)	6"		
	Letters	Letter from Ottawa - Rev. Gauvreau	1"		
	Milestones	Died - Edward Johnson	4"		
	Miscellany	Anything but the Truth - Vancouver item	1"		
May 11	Science	Reach into Space -(Rockoons off Newfoundland)	10"	7	24"
	The Hemisphere	Cuba -(Castro in Montreal)	1 1/2"		
	Show Business	Corn, Corn, Corn (Hines & Ford)	1 1/2"	2	2"



ANGUS. STONEHOUSE & CO. LTD.
TORONTO, ONTARIO

Issue Date	Section	Sub-Title	Space in Column Inches	Totals per Issue	
				No. Articles	Space in Inches
May 18	Education	Bush Teachers (Frontier College in Canada)	17"		
May 18	National Affairs	The Ice Lottery (Yukon and Alaska)	2"	2	19"
May 25	Books	Where was Aimee? (Review of book about Aimee Semple McPherson)	21½"		
	Business	Ghana on the Go (Aluminium Ltd. of Canada in Ghana)	1"		
	Education	American at Oxford (Dean Simpson -Cdn. Born)	1½"		
	Miscellany	Scent of Danger - Toronto item	1"		
	People	Will of Robert W. Service	1"		
	Religion	Eskimo Deacon (Anglican Minister in Canadian Arctic)	16"	6	42"
June 1	The Hemisphere CANADA	The \$400 Million Question (Canada and NATO)	7"		
		The Bahamas (re Harry Oakes murder & Toronto Telegram)	2½"		
	Medicine	Stanching Transfusions (Transfusions & Cdn. Medical Journal)	6½"		
	Publisher's Letter	Murray Cart and Toronto Bureau	1"	4	17"
June 8	National Affairs	D-Day in Europe -(Cdn. Army on D-Day)	5"		
	People	Lord Beaverbrook & Art Gallery in N.B.	3"	2	8"
June 15	The Hemisphere CANADA	Alter Ego (Green to External Affairs)	8½"		
	Letters	Letter from Winnipeg - D.K. Bancroft	1½"		



ANGUS, STONEHOUSE & CO. LTD.
TORONTO, ONTARIO

Issue Date	Section	Sub-Title	Space in Column Inches	Totals per Issue	
				No. Articles	Space in Inches
June 22	The Hemisphere CANADA	The "Comfortable" Tour (Palms for Queen's Tour)	12"	1	12"
June 29	Books	A Superior Sort of Liar (Demara and impostor in Cdn. Navy) "The Great Impostor"	6"		
	The Hemisphere CANADA	The Redeemed Empire (Queen, Canada and Empire)	150"		
	Letters	Letter from Moose Jaw - A.C. Ward	1"		
	Miscellany	Poop Deck - Toronto item Crust - Oshawa item	1" 1"		
	People	New Brunswick Premier Flemming	2½"		
	Press	Eskimo in Print (Eskimo magazine Inuktitut -Canada)	18"		
	Publisher's Letter	Re Queen's Tour- Canada and Empire	14"	8	193½"
July 6	The Hemisphere CANADA	Hands Across the Seaway (Queen at Seaway Opening)	22½"		
	Miscellany	Off-Beat - Waterloo item Overtime Match - Montreal item Legal Limit - Sault Ste. Marie item	½" ½" ½"		
	Science	Ocean Frontier (Schooner Chance built in Nova Scotia)	2½"	5	26½"
July 13	The Hemisphere CANADA	Starfighters for NATO	4½"		
	Musical	(Jazz Festival in Toronto) "The Summer Bashes"	½"	2	5"



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Issue Date	Section	Sub-Title	Space in Column Inches	Totals per Issue	
				No. Articles	Space in Inches
July 20	Business	Man of Steel (Canada & Steel)	1 1/2"		
	The Hemisphere CANADA	CBC in a Jam (CBC troubles) Queen in Chicago	18"		
	Letters	Letters from 6 People re June 29 Cover story on Queen, Canada and Empire <u>6 items</u>	9"		
	Publisher's Letter	Re Cover story of June 29	1"	10	28 1/2"
	Press	Bull Moose on Fleet Street (Thomson and Kemsley Chain)	14 1/2"		
July 27	Religion	Quizzing for Christ (Canada team in competition)	1"	2	15 1/2"
	The Hemisphere CANADA	Canadian North - "The Great Tomorrow Country"	60"		
	Miscellany	Toward New Records (Report on Employment in Canada)	3 1/2"		
	Time Listings	Filling in - Montreal item	1"		
	Publisher's Letter	Straw Hat - re Stratford, Ont. Festival	1 1/2"	5	68"
August 3	Milestones	Re Canadian North story	3"		
	Miscellany	"Queen, You are O.K." (End of Queen's Tour)	6"		
	Milestones	Diad - M.M. Coady - Priest of Nova Scotia	2"		
	Miscellany	Flash - Victoria item	1"		
	Miscellany	The Vanishing Male - Toronto item	1"	4	10"
August 10	Milestones	Re Canadian North story	3"		
	Miscellany	"Queen, You are O.K." (End of Queen's Tour)	6"		
	Milestones	Diad - M.M. Coady - Priest of Nova Scotia	2"		
	Miscellany	Flash - Victoria item	1"		
	Miscellany	The Vanishing Male - Toronto item	1"	4	10"



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Issue Date	Section	Sub-Title	Space in Column Inches	No. Articles	Totals per Issue Space in Inches
August 17	Foreign News	"Delighted Ma'am" (reference to Queen's Canada tour)	4"		
	Milestones	Died - Rueben B. D'Aigle - northern Canadian prospector	3"	2	7"
August 24	Miscellany	Between the Lines- Toronto item Sanctuary - Edmonton item	1" 1"		
	Time Listings	Straw Hat - Stratford Festival	1"	3	2 1/2"
August 31	Business	The \$1 Billion Five & Ten (re Woolworth's in Canada)	1 1/2"		
	The Hemisphere CANADA	New Gold in the Yukon (Gas-Oil Discovery in Dawson)	5 1/2"		
	Letters	Goddess in Desert - letter from Ajax	4 1/2"		
	Sport	Comeback at 77 (re Continental Baseball league)	1"	4	12 1/2"
September 7	National Affairs	Moving Ahead (Cdn. Bar Assoc.)	1 1/2"		
September 7	The Hemisphere CANADA	Vassal or Beneficiary (Kearns -U.S. investment in Canada)	12 1/2"	2	14"
September 14	Milestones	Died - Maurice Duplessis	1"		
	The Hemisphere CANADA	Le Chef is Dead (Death of Duplessis)	14"		
	Letters	Letter from Hamilton -J.C. Pelech	1"	3	15 1/2"
September 21	The Hemisphere CANADA	The New Viceroy (Gov. General Vanier)	6 1/2"		
	Miscellany	Draw the Shades -Hull Item Calling for Fix -Calgary item	1" 1"	3	8 1/2"



ANGUS, STONEHOUSE & CO. LTD.
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Issue Date	Section	Sub-Title	Space in Column Inches	Total per Issue	
				No. Articles	Space in Inches
September 28	Art	Thieves in the Night (Theft from Toronto Gallery) Beaver's Greatest Landmark (Opening of Beaverbrook Gallery)	20"		
	Books	Review of "Wolfe at Quebec"	12½"		
	Foreign News	A Mind on Trial (trial of German-born Canadian immigrant Podola)	2"		
	The Hemisphere CANADA	Heir to Le Chef (Sauve takes over in Quebec)	9½"		
	Medicine	Canadian meeting of obstetricians	2"		
	People	Genevieve breaks leg in Toronto at Can-Can performance	2"		
	Religion	Hell of Loneliness (United Church of Canada)	9"		
	Sport	Ronnie K _o ox quits Toronto Argos	3"	9	210"
	Sport	Scoreboard (Miss Supertest wins Harmsworth Cup)	1½"	1	1½"
October 5	Miscellany	Dope Sheet - Toronto item	1"		
	People	General Maxwell Taylor - Board Chairman of Cdn. utility	1"		
	Medicine	Forms & Fever (Asian Flu -Canada reference)	1"	3	3"
October 12	The Hemisphere CANADA	Upside-Down Seaway (Seaway stamp)	7"		
	Letters	Letter from St. Thomas -A.E Sherwood	1"		
	Press	"News" from China (Nossal of Globe & Mail)	1"	3	9"

Add to
Sept. 7



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Issue Date	Section	Sub-Title	Space in Column Inches	No. Articles	Total per Issue Space in Inches
October 19	Business	High Finance -Fun on the Card (Joseph Miraglia and credit spending in Canada U.S. and Cuba)	3"		
	The Hemisphere CANADA	Yankee, Come Here (Immigration from U.S.)	8"		
	Miscellany	Joint Account - Ottawa item	1"		
		Heavy Industry -Montreal item	1"	4	13"
October 26	Business	Advertising "The Kooksters" (Whiskey festival)	1"		
	The Hemisphere CANADA	An Ache in the Economy (Drop in Exports)	7"		
	Letters	Letter from Toronto -R.A. Restle	1½"		
		Letter from " -J.A. Nelmes	3½"		
		" " - R. Hill	1½"		
	Miscellany	States' Rights- Newfoundland item	1"		
	People	Diaries of Field Marshal Lord Alanbrooke in Maclean's	1"	7	16½"
November 2	Education	Spirit & Flesh (Obese Student Teacher dropped)	10"		
	Letters	Letter from Wolfville, N.S.	3"		
	Medicine	Man v. Viruses -(Toronto Doctor Donald McLean)	2"		
	Miscellany	Ultimate Tribute (Paris, Ont. item)	1"	4	16"
November 9	The Hemisphere	Dominican Republic (Royal Bank and Cdn. Bank of Nova Scotia credits)	1"	1	1"



ANGUS, STONEHOUSE & CO. LTD.
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Issue Date	Section	Sub-Title	Space in Column Inches	Total per Issue	
				No. Articles	Space in Inches
November 16	Business	Business Abroad (Chain stores Canada reference)	2"		
	The Hemisphere CANADA				
November 23	Foreign News	The Bad Example (B.B.G. Hearings)	5½"	2	7½"
		Asia - New Spirit (Colombo Plan and Canada)	1½"		
	Letters	Letter from Sarnia - P.Kupa Letter re Toronto Obese Student	2" 2½"		
	Sport	Masked Marvel (Jacques Plante's Hockey Mask)	7½"	4	13½"
November 30	Business	Loafing on the Railroad (Cdn. Railroad plan)	2"		
	Foreign News	Food -The First Battle (Food surpluses and Canada)	1"	2	3"
December 7	Foreign News	NATO -Nervous Alliance	2"		
	The Hemisphere CANADA	First Seaway Season (review St. Lawrence seaway first year)	3"		
	Letters	Letter from Toronto -P.Fardy Letter from Quebec -G. Langlois	1" 1"	4	7"
	Books	"Portraits of Greatness" by Karsh	2½"		
December 14	Business	The light of Holland(Philips Electronics Co.)	1"		
	The Hemisphere CANADA	Magazine TV (CBC Operations and Programs)	20"		
		End of the Anti-Saloon Act (Cda. Temperance Act Dead)	4"		
	Letters	Letter re Toronto Art Gallery Theft	2½"	5	30"



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<u>Issue Date</u>	<u>Section</u>	<u>Sub-Title</u>	<u>Space in Column Inches</u>	<u>No. Articles</u>	<u>Total per Issue Space in Inches</u>
December 21	Foreign News	The Nations - A New Tide (Canada participating in Commission)	1"		
	Miscellany	Travel Allowance -Canada and England item	1"		
	Religion	World Religious Center (Canada's Robert Slater heads new center)	5"		
	Science	United for Atoms (Cdn. in CERN)	1"	4	8"
December 28	Business	U.S. Investments Abroad (Canada)	3"		
	Letters	Letter from Montreal -G.E.Hasse	1½"		
	Show Business	(F.A. Warren Party On Broadway) "Leave it to Perky"	13"	3	17½"
TOTAL NUMBER OF ITEMS IN 52 ISSUES			--	210	
TOTAL COLUMN SPACE IN INCHES			--	1208"	
			= 120.8 Columns = 40.26 PAGES		



ANGUS, STONEHOUSE & CO. LTD.
TORONTO, ONTARIO

A M E N D M E N T

Time International reached a
verbal agreement November 1 with Ronalds-
Federated Limited for the printing of TIME
Canada in Montreal. Under this agreement,
which is now being put into contractual
form, the expected date for the start of
our Canadian printing is November 1, 1961.



1
2
3 MR. LAYBOURNE: Mr. Chairman, may I
4 refer to paragraph 9? We have submitted to you
5 as Appendix 'E' attached to Exhibit 2 a comparison
6 of newspaper and magazine circulation with
7 regard to other major countries. I would suggest,
8 perhaps, it would be convenient to mark the
9 end of Paragraph 9 (Page 4 of transcript) that
10 appendix 'E' is relevant here.

11 Then, Mr. Chairman, Appendix F is
12 relevant to the circulation figures in Paragraph
13 11. It gives a breakdown of that circulation. I
14 would draw your attention to the fact the Appendix
15 "F" includes for 1959 only the circulation of
16 ten other publications classed as weekends with
17 a combined circulation of 646,275. It could
18 well be that this should be added to the total of
19 3,592,817 for a, perhaps, more realistic total of
20 4,239,092 copies.

21 The figure of 17,798,132 given in
22 Paragraph 14 of magazine revenue in 1958 is differ-
23 ent from the one which appears in Paragraph 80
24 because the second figure in Paragraph 80 is the
25 Magazine Advertising Bureau summation, which
26 does not include commissions and discounts in
27 its computations. This figure of 17,798,132
28 is a Dominion Bureau of Statistics figure and
29 is net of commission and discount.
30



1
2
3 On reviewing the submission it was felt
4 that some documentation might be helpful on the
5 point of return after taxes. With your permission
6 I would like to introduce into the record a
7 brochure. It is a brief report of the Magazine
8 Publishers' Association of the United States -- the
9 Paper Committee of that Association. While it
10 deals primarily with paper, it represents informa-
11 tion obtained consistently from 1935 through
12 1959 from representative publishers of all sizes
13 who made confidential reports to the Association
14 so that the experience of all kinds of publishers
15 could be rendered statistically.

16 THE CHAIRMAN: Newspapers as well as
17 magazines?

18 MR. LAYBOURNE: Just magazines. Of a com-
19 bined circulation of two billion copies a year, the
20 audited represent more than half of the magazine
21 industry.

22 The pertinent point I would like you to
23 see in this is the average experience in
24 profit after taxes, expressed as a percentage
25 of sales -- the average 1.9 per cent after tax.

26 ---EXHIBIT NO. 0-30-60: Brochure of Magazine
27 Publishers' Association
28 of the U.S.

29 In the same connection I would
30 like to read one paragraph from the Magazine



1
2 Publishers' Association.

3 "In 1959 these publishers reported a
4 net profit after taxes" --

5 THE CHAIRMAN: "These publishers"?

6 MR. LAYBOURNE: This refers to fifty-
7 one publishers of fifty-five national magazines --

8 "After taxes of \$13,400,000 -- 1.9
9 per cent of revenue. In 1959 after taxes profits
10 for all manufacturing are listed at 4.8 per cent
11 of revenue in figures released by the Federal
12 Trade and Security ~~Exchange Commissions~~."

13 I would like to obtain the entire
14 document, called Postal Facts, and then submit
15 it to the Commission. I only have an extract
16 at this time.

17 Mr. Chairman, at Paragraph 49 I should
18 like to correct the figure of 27 per cent to
19 read "17 per cent".

20 Mr. Chairman, at Paragraph 59 I should
21 like to correct the date from July 29, 1959
22 to June 29, 1959.

23 With reference to the farm publications
24 in Paragraph 69, you will find four or five pages of
25 substantial detail is provided in Appendices
26 'F', 'G', 'H' and 'I'.

27 To demonstrate the magnitude of the increase
28 referred to in Paragraph 80, of the other major
29 media in this three year period we have:
30

THE HISTORY OF THE

REIGN OF KING CHARLES THE FIRST

IN THE YEAR 1649

BY JOHN BURNET

OF THE UNIVERSITY OF OXFORD

IN TWO VOLUMES. THE SECOND VOLUME.

LONDON, Printed by J. Streater, 1693.

THE HISTORY OF THE REIGN OF KING CHARLES THE FIRST

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LONDON, Printed by J. Streater, 1693.

THE HISTORY OF THE REIGN OF KING CHARLES THE FIRST



1
2
3 daily newspapers increased five million, four
4 hundred thousand; weekends increased one
5 million, nine hundred thousand; farm papers increased
6 two hundred thousand; business papers increased
7 four million, five hundred thousand; radio increased
8 three million, **seven** hundred thousand and
9 television increased fourteen million, four
10 hundred thousand for a total of thirty million,
11 one hundred thousand, of which magazines lost
12 their share.

13 In Paragraph 84 I am ^{NOT} referring to
14 split-run advertising or special section advertising.

15 In preparing the summation in Paragraph
16 99 we did not consider two instances of special
17 answer cards bearing a Canadian return address.
18
19
20
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1
2
3 THE CHAIRMAN: Mr. Laybourne, Mr. Johnston
4 and Mr. Beaubien will later on deal with some
5 parts of your brief but I should just like to
6 run through it with you. On the first page
7 at Paragraph 2 you stress freedom of the press
8 and you say:

9 "In here and basic in the terms of
10 reference is that the freedom of the press must
11 at all times be maintained."

12 How do you define freedom of the press?

13 MR. LAYBOURNE: The right to publish
14 without licence.

15 THE CHAIRMAN: What do you mean by the
16 right to publish without licence? Are you not
17 incorporated by the government to publish?

18 MR. LAYBOURNE: Yes.

19 THE CHAIRMAN: Then you are operating
20 with licence. In my view -- you may not agree
21 with me -- freedom of the press does not give
22 the press anything that freedom does not give
23 to an individual. That is all it is, it is
24 nothing more and nothing less. Freedom of
25 the press is freedom of the printing press.
26 It has nothing exclusively to do with newspapers
27 or magazines. Secondly, it does not underwrite
28 the prosperity of any magazine or any newspaper.

29 MR. LAYBOURNE: That is so.

30 THE CHAIRMAN: Then would you say that the

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1
2 Parliament of Canada, if it thought you were
3 engaging in unfair publishing practices, unfair
4 to other citizens, other taxpayers of the country,
5 would not have the right to call you to ~~désist~~
6 without infringing on the freedom of the press.

7 MR. LAYBOURNE: No, sir, I do not
8 believe it would ~~not have that~~ right.

9 THE CHAIRMAN: I am glad to hear you
10 say that. You stressed at great length, and
11 very adequately, that Time Magazine not only
12 prints the Canadian news that it prints in its
13 Canada edition but that you print a great deal
14 of other Canadian news, literary, cultural and
15 so on. In fact you said at one stage that you
16 project the image of Canada, its cultural life
17 and so on all over the world by virtue of
18 what you publish in your other magazines, the
19 magazine published in the United States, Latin
20 America and so on. How many pages do you have
21 in your average United States edition?

22 MR. LAYBOURNE: I believe it is 45 to
23 50 editorial pages. I think that is correct.

24 THE CHAIRMAN: That is reasonable, I
25 will take that. You had a very estimable Canadian,
26 Professor Wilfred Eggleston, make a survey of
27 your papers in one year, 1959, your United
28 States edition, to show the number of inches
29
30



1
2 of Canadian news which you published in your
3 American edition. He arrived at the conclusion
4 that you had published 40.26 pages. If you
5 have 50 pages of editorial matter in your American
6 edition, your United States edition, and you
7 have 52 prints in a year, that would work out
8 at 2,600 pages of editorial matter. So, of your
9 2,600 pages of editorial matter in your United
10 States edition you devoted 40 pages to Canada. I
11 do not think this is an overpowering lot of
12 news.

13
14 However, let us look at the character
15 of the news. You spoke of literary and cultural
16 material. All right, let us just go over them.
17 On November 23, 1959 you have a letter from Sarnia
18 and you have a letter from a Toronto Obese student.
19 In sports you had an article on the Masked Marvel
20 (Jacques Plante's Hockey Mask). On December 7th
21 you had a letter from Toronto, from P. Fardy, one
22 inch and also a letter from Quebec, G. Langlois,
23 also one inch. Then on December 14 you had a letter
24 re Toronto Art Galleries, two and a half inches.
25 On October 26 you had Advertising "The Kooksters"
26 (Whiskey festival), one inch. You had letters
27 from Toronto from R. A. Restle, one and a half
28 inches, from J. A. Nelmes, three and a half inches
29 and from R. Hill, one a half inch. On November
30 the 2nd you had a letter from Wolfville, Nova



1
2
3 Scotia, three inches. On September 28th of the
4 same year you had "Genevieve breaks leg in Toronto at
5 Can-Can performance", two inches. You had also
6 on that date two inches on the Canadian meeting
7 of obstetricians. On religion you had "Hell of
8 Loneliness (United Church of Canada), nine inches.
9 In sport you had three inches, Ronnie Knox quits
10 Toronto Argos. On October 12 you had a letter
11 from St. Thomas, one inch, and you had "News" from
12 China, one inch. In August you had an article
13 on the Queen's visit called, "Delighted Ma'am",
14 a reference to the Queen's Canada tour. You
15 had "Straw Hat", the Stratford Festival, half an
16 inch. In August you had "Goddess in Desert",
17 letter from Ajax, four and a half inches. On
18 September 21 -- this must have been quite an
19 intriguing item -- you had "Draw the Shades".
20 On July 27 you had Quizzing for Christ (Canada team
21 in competition), one inch. You had another article
22 on "Straw Hat" with regard to the Stratford
23 Festival. On August 10 you had "Queen, You are
24 O.K." a description of the end of the Queen's
25 tour. On August 10th also you had an article
26 on the Vanishing Male in Toronto, one inch.
27
28
29
30



1
2
3 MR. LAYBOURNE: That is not a
4 trustworthy report.

5 THE CHAIRMAN: On June 29, on "Books",
6 you did "The Great Impostor", an impostor in
7 the Canadian Navy. I believe this was merely an
8 incidental reference to Canada. You had, under
9 "Letters", "Letter from Moose Jaw" -- one inch,
10 You had something about Premier Flemming of New
11 New Brunswick, two and a half inches. Then,
12 on May 25th under "Books", you had "Where was
13 Aimee?", meaning Aimee Semple McPherson, a
14 review of the book about him, who happened to
15 have been born in Canada. You had the "Will of
16 Robert W. Service", one inch. You had "The
17 Bahamas (re Harry Oakes murder & Toronto Telegram)",
18 two and a half inches. Where the Telegram came
19 in, I do not know. You had something about
20 Lord Beaverbrook in his art gallery in New Brunswick,
21 three inches. You had Mr. E. P. Taylor's development
22 of the Bahamas. You had a listing of "The Watch
23 That ends the Night", by Hugh MacLennan, one half
24 inch. You had the death of Edward Johnson, whom
25 we regard as a very great Canadian. That was
26 four inches. You had something on Cuba -- "Castro
27 in Montreal". That was half an inch. You had
28 "Sticky fin -- Kenora item". I do not know
29 what that is. That was half an inch. You
30 had "Natures Housekeeper (Wolves from Canada)",



1
2 "Fishing in Nova Scotia," and "Fewer Italians,
3 please". Now we are getting into March. Then
4 you had the "Columnists Ball", and that is about
5 Editor Scott of Vancouver. That was six inches.
6 Then you had "Joey v. Jimmy -- (Premier Smallwood
7 of Newfoundland)", and that was four inches.
8 "Time Clock -- Grace Line -- and St. Lawrence
9 Seaway." That was a half inch. "Wall Street
10 -- A wounded animal", and a Canadian stock broker.
11 That was one inch. Then there was a "Letter
12 from Montreal", and that was one inch. "The
13 Pappy Line -- (Black Hawks & Montreal Canadians)",
14 two inches. Another "Letter from Montreal"; a
15 "Letter from Toronto"; a "Letter from Aurora";
16 "Reference to French Canadian Jesuits", one inch.
17 Another "Letter from Toronto". And then, under
18 "Foreign News", you had on January 12th, "Great
19 Britain - Dickie on top -- mention of Canadians
20 in Dieppe Raid", one inch. Then you had "Pop
21 Records - Paul Anka". That was one inch.

22 Now, sir, to be quite fair, there were
23 some other items there which were a little
24 different, but most of them were incidental to
25 Canada. I do not think they warranted your saying
26 that Time in the United States -- the other editions
27 of Time -- really project the Canadian literary
28
29
30



1
2 culture abroad. I think this is a gross overstatement,
3 because, if you do not mind my saying so, statements
4 like that are not going to help Time.

5 Now, there are one or two other things.
6 You dealt here with a great many things pertaining
7 to your operation in Canada and you gave us some
8 figures. But, do you give us a breakdown of
9 your full Canadian operation?

10 MR. LAYBOURNE: No, sir, not in here.
11 We understood that this would be requested of us
12 and I believe it has been in a request made which
13 my office received by mail yesterday.

14 THE CHAIRMAN: This will be a separate
15 statement covering your Canadian operations,
16 showing profits and losses or whatever you have?

17 MR. LAYBOURNE: What you require, we
18 will respond to.

19 THE CHAIRMAN: You mentioned that the
20 various units of Time make a contribution to
21 the people of the United States. Will it show
22 what contribution was made by Time of Canada ?

23 MR. LAYBOURNE: I have not seen the
24 questionnaire which we received. I do not
25 know what specifically is asked for.

26 THE CHAIRMAN: Now, when you decided
27 to create Time International of Canada, is
28 it fair to ask you what was in your mind?
29 Was this something you were doing for Canada,
30



1
2 or were you increasing Time circulation, or
3 did you determine or decide that this would be
4 a profitable operation?

5 MR. LAYBOURNE: I was not a member of
6 the Time staff at that point. I joined the
7 company in 1944 as a correspondent. Most of
8 my work then for a number of years was in that
9 area. I do not know precisely what the considerations
10 were in 1943 when the editions were started.

11 THE CHAIRMAN: You say that in handling
12 Canadian news in New York --- I think you
13 mentioned there were 11 or 12 there handling
14 it, but only two are Canadians. Are you really
15 saying that the coverage of Canada, which, I
16 understand, goes into your office in New York,
17 and extends to thousands of words -- is that
18 right? It is sometimes ten thousand words?

19 MR. LAYBOURNE: Yes.

20 THE CHAIRMAN: And do you tell me that
21 you have eleven people there handling that
22 news, or 12, and that only two of those people
23 are Canadians?

24 MR. LAYBOURNE: I believe that is correct
25 at the present time.

26 THE CHAIRMAN: You say you have 33
27 people working in Canada and all of these are
28
29
30



1
2 Canadians but three. What do the three do?

3 MR. LAYBOURNE: I am an American and
4 my job is Managing Director. The chief of our
5 Ottawa Bureau is an American -- a correspondent.
6 The chief of our Calgary Bureau is an American.

7 THE CHAIRMAN: Is it true that all this
8 news is processed, edited -- I won't use the word
9 "slanted", although some people use it -- is it
10 true that it is all processed and edited in
11 New York by American citizens after it leaves
12 Canada? Is that true?

13 MR. LAYBOURNE: Not all by American citizens.
14 There are two Canadians.

15 THE CHAIRMAN: Can you tell me what
16 positions those two Canadians hold in New York?

17 MR. LAYBOURNE: One is a writer, John
18 Scott, formerly of Montreal, and one is a researcher,
19 a lady by the name of Reed, formerly of Toronto.

20 THE CHAIRMAN: If one of them is a writer
21 and the other a researcher, they have actually
22 nothing to do with the news that goes in?

23 MR. LAYBOURNE: They have fundamental
24 things to do with it, sir.

25 THE CHAIRMAN: What we read in Time
26 Magazine, the Canadian section, who actually
27 writes those items? Would any one of the
28 Canadians you mentioned write any of those
29 paragraphs?
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MR. LAYBOURNE: Oh, yes, of course.

John Scott, the writer that I mentioned, is Canadian and he has his share of the long load of the Canadian Section and there are normally two other writers.

THE CHAIRMAN: Why are these paragraphs written for Americans? I have spent all my life reading newspapers. I know that these paragraphs were not written for me. They seem to be written for Americans; yet, they never appear in the United States.

MR. LAYBOURNE: The editorial approach, the editorial technique is the only thing that can explain this. The editorial method.

THE CHAIRMAN: Well, you speak of projecting the Canadian cultural image. Recently, there was a book published in Canada. It may have been published in the United States, for that

matter, because most of our books have to be published in the United States. You cannot get them published in Canada under our copyright laws. But, this was a biography on the life of Graham Bell by T. B. Costain. Now, this did project something of the life and background and the history of Canada. Have you reviewed that book in your magazine, in your U. S. edition?



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3 MR. LAYBOURNE: I do not recall that
4 we have. I would have to check that.

5 THE CHAIRMAN: Did you review in your
6 Canadian edition?

7 MR. LAYBOURNE: I do not recall.

8 THE CHAIRMAN: Well, as a matter of fact,
9 you did. What I would like to know is: If
10 you reviewed it in the Canadian edition and did
11 not in the American edition, how were you projecting
12 the Canadian cultural image? We know that
13 Graham Bell was a Canadian and he invented the
14 Bell Telephone. We would like more of our American
15 friends to know it. Time Magazine, apparently,
16 paid no attention to it. What is the explanation
17 for that?

18 MR. LAYBOURNE: Well, there are thousands
19 and thousands and thousands of items which are
20 in the range of use of editors. They make the
21 selection from among these.

22 THE CHAIRMAN: I know that, but would
23 you not think that a biography of Graham Bell,
24 showing that he was a Canadian and that the
25 Bell Telephone had been invented in Brantford,
26 Ontario, was a more important item of projection
27 of the Canadian culture than Miss Genevieve
28 breaking her leg in Toronto?

29 MR. LAYBOURNE: Any one of us can
30 differ with any one editor of Time and frequently



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3 do.

4 THE CHAIRMAN: Not with too much effect,
5 apparently. You gave figures awhile ago. Yesterday
6 I asked you this question myself -- whether a
7 3.1 per cent profit, after taxes, was regarded as
8 a fair profit and how this compared with the
9 U.S. they argued a little bit from the general
10 to the particulars, but they gave me McGraw-Hill
11 and they said that McGraw-Hill had a profit of
12 8 or 9 per cent. Are the figures that you have
13 filed as an exhibit here authentic?

14 MR. LAYBOURNE: I would take them to
15 be so, yes.

16 THE CHAIRMAN: And they show that the
17 earnings of all publications of periodicals
18 in the United States would be less than 2 per cent?

19 MR. LAYBOURNE: That would be an average
20 for the group of magazines which reported their
21 results in this study by the Magazine Publishers'
22 Association, described as a representative group,
23 including both large and small and including
24 all the publications circulation, numbering about
25 half of the audited circulations of magazines
26 in the United States.

27 THE CHAIRMAN: Mr. Laybourne, on Page
28 3, you devote a whole paragraph to showing
29 that in the United States -- You say "...the
30 daily and weekly newspapers in 1959 circulated



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3 only one copy for every 2.2 copies circulated
4 by a general magazine. This ratio is remarkably
5 unusual." Then you go on to give the Netherlands.
6 Then you say, 'In the United Kingdom in 1959
7 the ratio was 2.1 copies of newspapers to one
8 copy of a magazine." And then you say, "In
9 Canada in 1959 the ratio was 2.2 to one."

10 I submit to you, sir, that this comparison
11 is misleading. It is misleading for the simple
12 fact of geography. If you were publishing a newspaper
13 in London, England, you could have your newspaper
14 delivered to any part of the United Kingdom the
15 following morning and, naturally, that makes for
16 a greater circulation of newspapers. In Canada,
17 you cannot do that. So, a magazine has a great
18 advantage over a newspaper, in the matter of
19 circulation, because it does not matter when it
20 arrives, and I think that is the explanation of
21 that and I do not think there is any other explan-
22 ation and I cannot see how this helps your case
23 at all. I do not see how it answers the contention
24 of Maclean-Hunter, Saturday Night, or any of
25 our publications, that the competition from Readers'
26 Digest and from Time Magazine is unfair and harmful.
27 But, let me put this to you. Really, this is the
28 sum and substance of it all. Do you really
29 think, or believe, that the manner in which
30 you are getting out Time Magazine in Canada and



1
2 the cheapness with which you are able to use
3 this extra manner because the editorial content
4 is paid for before you start publication in Canada --
5 are you really suggesting that this is fair
6 competition with our Canadian publications? Do
7 not you think you have a great advantage over
8 them?

9
10 MR. LAYBOURNE: We are not applying
11 an advantage in terms of circulation rates or
12 of advertising rates. The competition advantage,
13 to my mind, does not exist there, or it is not
14 being used there.

15 THE CHAIRMAN: Are you saying that you
16 do not solicit subscriptions; you have no special
17 solicitations around Christmastime?

18 MR. LAYBOURNE: Oh, surely. I say that
19 the rates charged for circulation and advertising
20 are not unfair competition, in my judgment. We
21 attempt to sell the magazines to subscribers, but
22 we attempt to sell it to people on the newsstands
23 and advertisers.

24 THE CHAIRMAN: You say it is \$7 per year.
25 A bit of solicitation arrived at my house the
26 other morning from a very famous magazine, which
27 claims to sell for so much per year, but he
28 told me that if I wanted to send a gift subscription
29 of that magazine, I could have it for \$2. Further,
30 however, he said "If you do it now, you can have



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3 it yourself. So that actually, under that offer,
4 every single one of the subscribers to that
5 magazine in Canada could get it next year for
6 half this price. Now, this is a fact. This
7 is a very serious thing when you come to compete
8 with our Canadian publications who are themselves
9 engaged in this rat race of solicitations, practic-
10 ally giving their magazines away, as was made
11 clear the other day with Chatelaine. What is
12 your answer to that? I notice Readers' Digest,
13 by the way, does the same thing now. Your price
14 is \$7 per year when, as a matter of fact, every
15 Christmas you offer it for half that price and
16 every Christmas every one of your subscribers in
17 Canada are ensured of getting that magazine the
18 following year for half the price that you advertise?
19 Is this fair or is it unfair?
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2 MR. LABOURNE: I do not believe that it
3 is unfair when compared with the circulation practices
4 of any other magazine, to my knowledge.

5 THE CHAIRMAN: Very well. I will come
6 back again to this, I want to have this quite clear.
7 At the end of your brief you quoted Mr. Justice
8 Rand on the freedom of the press. I want you to look
9 at this again, because I hope it did not mislead you.
10 He says:

11 "Freedom in thought and speech and
12 disagreement in ideas and beliefs on
13 every conceivable subject are of the
14 essence of our life".

15 I ask you again, sir, if the Parliament
16 of Canada, in its wisdom decided that your competition
17 with Canadian publications was unfair and that it
18 should be curtailed in some way by Parliamentary
19 action or by statute, would you say that the freedom
20 of the press had been interefered with?

21 MR. LAYBOURNE: I would think so, sir.

22 THE CHAIRMAN: On what grounds?

23 MR. LAYBOURNE: It is a restraint on
24 the right of expression.

25 THE CHAIRMAN: No, sir. You can still
26 express yourself to your heart's content, no restraints
27 whatsoever. I could still buy Time if I wanted to
28 pay for it. You could sell it. There is no
29
30



1
2 restraint whatever, there would be no restraint.
3 The Government would merely act as the referee be-
4 tween two contending forces within the State. This
5 is the very essence of our Liberal Government.
6 That is what it is about. If one citizen is being
7 injured by another under some unfair practice,
8 then the State has the right to remedy that situation.
9 That would not interfere with the freedom of the
10 press. I do not think, sir, you could uphold
11 that in any court. I am certain you could not
12 uphold it before Mr. Justice Rand.

13 That is all, thank you.

14 COMMISSIONER BEAUBIEN: On page 9,
15 paragraph 37, it is stated in your brief:

16
17 "It was not then feasible nor
18 is it feasible or advantageous today
19 to carry out final editing in Canada.
20 The weekly planning, research, writing,
21 editing and composing of the editorial
22 contents of Time must be concentrated
23 under the immediate supervision of the
24 Managing Editor."

25 I believe you are planning on publishing
26 in Canada eventually?

27 MR. LAYBOURNE: Later.

28 COMMISSIONER BEAUBIEN: Well then, sir,
29 will it then be feasible to do the editing in
30 Canada?



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3 MR. LAYBOURNE: The manufacturing, printing
4 and manufacturing operation, quite apart from writing,
5 editing and the editorial preparation.

6 COMMISSIONER BEAUBIEN: When you do set up
7 in Canada will the editorial content of Time be made
8 up in the United States?

9 MR. LAYBOURNE: I have no reason to think
10 we would change the pattern of the editorial
11 operation.

12 COMMISSIONER BEAUBIEN: You would just
13 publish here and your editorial material would be
14 edited there?

15 MR. LAYBOURNE: That is presently expected,
16 yes sir.

17 COMMISSIONER BEAUBIEN: Paragraph 11,
18 the last phrase:

19 "The only U.S. publication editorially
20 comparable to these week-end magazines
21 appears in the New York Times and is
22 called 'The New York Times Magazine'".

23 I have a list here of magazines published
24 in the United States, which to my mind appear
25 very much like our week-ends: The American Weekly,
26 Chicago Tribune Magazine, Chicago Tribune TV Week
27 Magazine -- there are others here, the New York
28 Herald Tribune Today's Living and others. Would
29 they be comparable to our week-end magazines?
30



There are a number of others.

MR. LAYBOURNE: We were aware of the existence of these. The point of our submission is that in terms of editorial force, excellence and effectiveness in our judgment the only one in the United States which is comparable is the New York Times magazine. That is quite a subjective judgment.

COMMISSIONER JOHNSTON: The American Weekly, that is distributed with newspapers across the country.

MR. LAYBOURNE: I believe that is right, with the Hearst press. I am not sure, but I think they are the distributor.

COMMISSIONER JOHNSTON: There is another one, the name of which I have forgotten.

COMMISSIONER BEAUBIEN: This Week.

MR. PITFIELD: Mr. Chairman, may I enter this list as Exhibit O-31-60?

STANDARD RATE AND DATA SERVICE, INC.

Sept. 27, 1960.

<u>PUBLICATION</u>	<u>CIRCULATION</u>
The American Weekly	9,960,656
Atlanta Journal-Constitution Magazine	511,131
Chicago Tribune Magazine	1,229,396
Chicago Tribune TV Week Magazine	696,515
Connecticut Life	130,000

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3	Family Weekly	5,056,928
4	First 3 Markets Group (Full run)	5,565,789
5	(City & Suburban)	4,591,080
6	Locally Edited Gravure Magazine Group	3,513,591
7	New York Herald Tribune Today's Living	521,568
8	New York Herald Tribune TV and Radio Magazine	521,568
9	New York News Sunday Coloroto Magazine	3,413,340
10	New York Sunday Mirror Magazine	1,290,036
11	New York Times Magazine	1,371,939
12	Parade	9,811,686
13	Philadelphia Inquirer Magazine Today	1,041,740
14	Pictorial Sunday Magazine Group	4,540,597
15	Rural Gravure	1,383,107
16	Sunday (30 cities)	18,595,842
17	This Week Magazine	13,359,114

---EXHIBIT NO. O-31-60: Standard Rate and
Data Service, Inc.
Sept. 27, 1960.

---Whereupon the hearing adjourned.

ROYAL COMMISSION ON

Publications

HEARINGS

HELD AT
OTTAWA

VOLUME No.:

4

DATE:

NOV 17 1960

OFFICIAL REPORTERS
ANGUS, STONEHOUSE & CO. LTD.

372 BAY STREET
TORONTO

EM. 4-7383

EM. 4-5865



ANGUS, STONEHOUSE & CO. LTD.
TORONTO, ONTARIO

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- VOL. 3, Page 59, Line 13 - Delete "I am referring"
Insert "I am not referring"
- VOL. 4, Page 81, Line 13 - Delete "\$1,862,072"
Insert "\$10,862,072"
- VOL. 4, Page 82, Line 29 - Delete "With a group of Time
Inc. Magazines."
Insert "For the various
magazines of Time Inc."
- VOL. 4, Page 89, Line 10 - Delete "I did"
Insert "Required"
- VOL. 6, Page 39, Line 24 - Delete "A. P. Taylor"
Insert "E. P. Taylor"



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2 THE CHAIRMAN: Mr. Laybourne, Mr.
3 Johnston would like to ask a few additional
4 questions.

5 MR. LAYBOURNE: In order to follow
6 the question which we left last night, asked
7 by Mr. Commissioner Beaubien, I have now certain
8 figures which were not then at my disposal.
9 I would like to indicate them to you.

10 I was aware of the existence of a number
11 of other supplements distributed with newspapers
12 in the United States, quite apart from The
13 New York Times Magazine. I would like to
14 indicate the relative strength of those publications
15 as an advertising vehicle in the United States.

16 The Publishers' Information Bureau,
17 which compiles the figures on revenues, compiled
18 in the weekend or magazine supplement field
19 figures for six which are classified as national
20 magazines or national supplements. These include
21 This Week, American Weekly, Family Weekly, The
22 New York Times, Parade and a group called The
23 First Three Markets Group, which consists of the
24 separate supplements of the New York Daily News,
25 The Chicago Tribune, The Philadelphia Inquirer,
26 which are sold either as a group for national
27 coverage or separately for regional coverage.
28 In the first six months of 1960, for which
29 figures are available, all of these supplements
30



1
2 received gross revenues as reported to The
3 Publishers' Information Bureau: \$54.6 million.
4 In that same period the consumer magazines reporting
5 to the same information office reported combined
6 revenues of \$422.6 million. So the advertising
7 revenues of the national supplements were 12.9
8 per cent of those of the consumer magazines in
9 the United States.

10 In the first half of 1960 in Canada the
11 revenues for the magazines reporting to the
12 Magazine Advertising Bureau were then \$¹⁰1,862,072.
13 The principal national, nationally distributed
14 or important regional weekend publications in
15 Canada, which include besides The Star Weekly,
16 Weekend, Perspective, The Globe and Mail Supplement,
17 the supplement of one of the important
18 papers in Newfoundland -- there are several
19 important regional papers as well -- were in
20 the first half \$10,698,798, almost exactly the
21 revenues reported by the consumer magazines,
22 so that the point which I sought to make was
23 that in Canada the competition between these two
24 kinds of media is substantially equal because,
25 I think, of the excellence of the weekend
26 publication in Canada as contrasted to the
27 weekend publications in the United States which,
28 in my judgment, are not nearly so good as editorial
29
30



vehicles.

We did accept and point out the superiority and excellence of The New York Times Magazine. If it would be helpful I would like to give you a copy of the most recent issue of The New York Times Magazine.

---EXHIBIT NO. O-32-60: Copy of the November 13, 1960, issue of The New York Times Magazine.

MR. LAYBOURNE: Thank you very much, Mr. Chairman, for extending to me the opportunity to give you that additional information.

COMMISSIONER JOHNSTON: Mr. Laybourne, would you tell us something of your own background. You alluded to it yesterday, but not in very much detail.

MR. LAYBOURNE: My working experience is this. I began with ten years as a reporter and deskman on the St. Louis Post-Dispatch, St. Louis, Missouri. I joined Time in 1944 as a correspondent in Ottawa and was in Ottawa for two years. Then I went to the Washington Bureau of Time for three years as News Editor in that bureau. I then worked for nine years in the New York office and, for most of that time, seven years of it, as Chief of Correspondents in the United States and Canada with a group ^{for the various magazines} of Time Inc. magazines. I left that job in



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3 September 1957 to take this assignment in Canada,
4 where I am based in Toronto having to do with
5 the publishing activities of Time primarily and
6 separated, in the tradition of separation of
7 publishing and editing, from editorial responsibilities now.

8 COMMISSIONER JOHNSTON: You have nothing
9 to do with the editions of Time which "add in
10 large measure to the richness and variety of
11 Canadian life and to the culture and unity of
12 Canada"?

13 MR. LAYBOURNE: Not often, not very
14 directly. I have on occasion represented the
15 nature of those publications, the nature of
16 the circulation, in discussion with people interested
17 in the export business from Canada. That has
18 been the chief extent of my relations with those
19 editions.

20 COMMISSIONER JOHNSTON: Of the eight
21 or ten people employed in New York and producing
22 four pages of Time weekly, how many of them have
23 had experience in Canada?

24 MR. LAYBOURNE: I believe nearly all.
25 I know that all of the writers have. There are
26 primarily three men on the writing assignments
27 who have the responsibility of taking the work
28 of the correspondents and taking research material
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2 from other sources and applying their own judgment
3 and their own analysis, writing up their own
4 stories, subject of course to the blue pencilling
5 of an editor and the arrangements that an editor
6 then puts on the total combination of their
7 efforts. All of those men have had working
8 experience in Canada and one of those, of course,
9 as I mentioned yesterday is Canadian and worked
10 for a number of years on The Montreal Gazette.

11 COMMISSIONER JOHNSTON: Time's first
12 Canadian edition, so-called, was in 1943.

13 MR. LAYBOURNE: That is correct, yes.

14 COMMISSIONER JOHNSTON: I have here
15 a bound volume -- I do not know just where it
16 came from.

17 MR. LAYBOURNE: It came from our files.
18 I want to make sure of that, because I hope to
19 get it back.

20 COMMISSIONER JOHNSTON: I am noted for
21 returning books eventually. I understand that
22 there was a super salesman in Ottawa in about
23 1943. You said yesterday that you did not have
24 any sales operation here until some time later.

25 MR. LAYBOURNE: I said we did not
26 establish offices or hire personnel full-time
27 for the sale of advertising space in this edition
28 until early 1946. In the prior time the sales
29 efforts were carried on primarily by two
30



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3 advertising salesmen who periodically toured the
4 principle Canadian cities visiting advertisers
5 and agencies.

6 COMMISSIONER JOHNSTON: Of course
7 Canadians generally were pleased at that time
8 that Time was establishing a Canadian edition
9 or run for Canadian news in the regular edition
10 and I think Time got some advertising support
11 in lieu of the vast expense involved in establishing
12 a Canadian edition. I noticed that the first
13 two editions had, out of 28 pages of advertising,
14 more than five pages for the Canadian government
15 or Crown Corporations. So there was some good
16 ~~selling~~ at that time, but apparently after two
17 weeks somebody in government decided we were
18 not getting the kind of publicity in the United
19 States that we would like, and that is clear
20 from the rest of this volume that you so kindly
21 lent.

22 I have a friend who is a former Ottawa
23 resident but now lives in the States. I telephoned
24 him one day and asked him about Time. He is
25 a reader of Time. I asked him if he had the
26 impression that he was getting Canadian news
27 from Time. He is still very much interested
28 in Canada. He reads everything about Canada he
29 can get hold of. I know that one of his cherished
30



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2 possessions is a letter he received as a boy from
3 Sir Wilfred Laurier. He told me on the telephone
4 that he got very little from Time but he said,
5 "I keep Time and Newsweek for a few months back
6 and I will check". This is not a scientific
7 check but the report, such as it is, shows
8 that he gets more Canadian news out of Newsweek,
9 which does not pretend to have a Canadian edition,
10 than he gets of Time. Would you care to discuss
11 that?

12 MR. LAYBOURNE: I certainly would.
13 I would submit that a period of a few issues
14 two months or three months, whatever it might be,
15 would not necessarily be as representative of
16 the contents as a properly measured check over
17 a year or two years. The news breaks, the news
18 situations give you an opportunity to develop
19 specific news stories of real consequence, of
20 real value, of much more than passing value.
21 I would submit that the comparison might well be
22 taken over a substantial period rather than over
23 a brief one.

24 COMMISSIONER JOHNSTON: This was about
25 18 weeks. We also have some other indications
26 showing that Newsweek does a pretty fair job
27 for our country. I notice also in the second
28 issue of the Canadian edition of 1943 a note
29 from the publisher of those days, a Mr. Prince
30



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2 I think, "Time Canadian, which is just like the
3 domestic editions except that it contains special
4 advertisements written for the Canadian market.
5 We tried to arrange for printing this edition
6 in Canada but the Dominion Government does not
7 want any new publishing venture started there until
8 after the war."

9
10 It is 15 years since the end of the
11 war and apparently you are now seeking to print
12 in Canada. What puzzles me as a retired or
13 reformed newspaper man is how 11 or 12 people
14 can spend all week producing four skimpy pages
15 in Time. How do they do it?

16 MR. LAYBOURNE: I think they work pretty
17 hard. I have done a bit of that work. It is
18 pretty rigorous if you do the reading that is
19 required to position you to understand the back-
20 ground of stories. If you see people yourself,
21 if you stir out of the office, call on people --
22 that takes time too. I think they find it a
23 respectable week's work, and I have found it so
24 in the few weeks when I have done it some years
25 ago.

26 COMMISSIONER JOHNSTON: Of course, I
27 was brought up in the newspaper business when they
28 had to work - hard. I think I could produce the
29 four pages myself easily and do the research.

30 MR. LAYBOURNE: Is that an application



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for a job?

COMMISSIONER JOHNSTON: Well, I guess
I am over the age limit! I am sure people who
have worked on Canadian newspapers producing
editorials and news stories do considerably more
in a week than your people do.



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3 MR. LAYBOURNE: May I comment on that?

4 COMMISSIONER JOHNSTON: Yes.

5 MR. LAYBOURNE: I had the responsibility
6 for a long time of seeing to it that the corres-
7 pondents for Time and Life produced what was
8 required for the coverage, the extent of coverage,
9 the intensity and the completeness of it, and
10 the perceptiveness of it. I know they worked
11 hard. A few of them did not work as hard as
12 ^{required}
~~I~~ did and they might be no longer with us.

13 The people that I had the hiring and firing
14 responsibility for in those particular eight years,
15 I know they worked hard. I know, from observation,
16 that the writers of Time work hard. It is
17 a lot harder to write something brief, concise
18 and clear than it is to write a windy column.

19 COMMISSIONER JOHNSTON: Are you suggesting
20 that when I write something it is not concise
21 and clear?

22 MR. LAYBOURNE: I would submit that the
23 writing in Time is exceptionally concise and clear.

24 COMMISSIONER JOHNSTON: I think my own
25 observations through the years have been that any-
26 thing I knew anything about, Time had wrong. Have
27 you any comment on that?

28 MR. LAYBOURNE: Well, I do not know how
29 many stories you may be referring to, how many of
30 which you felt you had intimate knowledge. I can

1. The first thing I noticed

was that the weather was

just what I needed.

I had been thinking about it for

days, and now it was here.

I had been thinking about it for

days, and now it was here.

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I had been thinking about it for



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2 only say I am sorry that you have found it so.

3 COMMISSIONER JOHNSTON: I know a man
4 who was one of your stringers in a Canadian city,
5 and he told me once, and this is hearsay, of
6 course, from your point of view -- he told me
7 directly that anything that he sent to Time was
8 always, when it was produced at all, inaccurately
9 produced.

10 MR. LAYBOURNE: How long, may I ask,
11 did he put up with that, as a self-respecting
12 newspaper man, or reporter?

13 COMMISSIONER JOHNSTON: Well, I suppose
14 eventually he hoped some day to get the story
15 in the way he sent it out -- at least, the
16 essential facts.

17 MR. LAYBOURNE: I would say his experience
18 was quite remarkable. We have responsible men
19 who take pride in their work and they do not
20 put up with inaccurate handling of their material.

21 COMMISSIONER JOHNSTON: Now, let us
22 get to the matter of editing in New York. I
23 feel, as a Canadian, that no one can produce a
24 Canadian magazine in New York who is not in
25 Canada most of the time -- who is not steeped
26 in Canadian information. Now, is it not feasible
27 or would it not be feasible for Time's contribu-
28 tion to the Canadian scene to be edited and
29 produced here?
30



1
2 MR. LAYBOURNE: It might be under revision,
3 an editorial policy which may come about in time.
4 This, I think, has been discussed. I know,
5 from my knowledge in the past, it is a subject
6 on which discussions continue, I would say.

7 COMMISSIONER JOHNSTON: In these
8 days of facsimile transmission of news, would it
9 not be feasible for you to have some one in Canada
10 to do the work and send it to New York? Your
11 magazine, I believe, is printed in Chicago and
12 it has to be made up there; so that it could
13 be done, even if someone in New York censored
14 it as it went through?

15 MR. LAYBOURNE: You are quite right.
16 Facsimile transmission opens the way to very
17 speedy communication of copy from editor to
18 editor.

19 COMMISSIONER JOHNSTON: In other words,
20 it is feasible, but you doubt very much if it
21 will be done that way? Is that over-stating
22 your position?

23 MR. LAYBOURNE: Well, at the present
24 time, it is not feasible. I think the mechanical
25 device which you are talking about, facsimile,
26 is quite a new one. I do not believe that it
27 is in current, steady use to any great extent
28 yet.
29
30



1
2 COMMISSIONER JOHNSTON: Time, for many
3 years has been edited in New York and printed
4 there shortly after the final editing in other
5 cities -- Chicago, a thousand miles away?

6 MR. LAYBOURNE: Yes, sir.

7 COMMISSIONER JOHNSTON: How has that
8 been done through the years?

9 MR. LAYBOURNE: Teletype setting is
10 the device by which the copy is transmitted.

11 COMMISSIONER JOHNSTON: You can probably
12 make an arrangement with Mr. Roy Thompson to have
13 it teletyped from Toronto or Montreal. Your
14 publication is also mailed to Canadian subscribers
15 from Chicago; is it not?

16 MR. LAYBOURNE: That is right.

17 COMMISSIONER JOHNSTON: Other publications
18 are sent to Canada in bulk, put in the Canadian
19 Post Office and Canadian postage is paid; is
20 that correct?

21 MR. LAYBOURNE: I know, of my knowledge,
22 that is true of a few publications. Of how many
23 that is true, I do not know. I know this is true
24 of at least certain copies of Life, distributed
25 in Canada. It is true of certain copies of
26 Fortune, distributed in Canada. I have heard
27 that it is true of The Saturday Evening Post,
28 certain of their Canadian circulation, but whether
29
30



1
2 many others do this, I do not know. I am under
3 the impression not very many others do.

4 COMMISSIONER JOHNSTON: We can get the
5 information from the Post Office. My impression
6 is that it is a lot more; but, at any rate,
7 the point I wanted to make is that the Canadian
8 Post Office gets no revenue from Time.

9 MR. LAYBOURNE: From the distribution of
10 the magazine, I think, minimal. We may enter
11 the mails to a limited extent in certain Canadian
12 cities. I can determine that for you exactly
13 and let you have it, if you would care for it,
14 on our present distribution plan.

15 COMMISSIONER JOHNSTON: There is some
16 place in your presentation a statement that
17 your costs of advertising revenue in Canada is
18 greater than in the United States. It is at
19 the bottom of page 11, I think.

20 MR. LAYBOURNE: Yes, sir.

21 COMMISSIONER JOHNSTON: "Advertising
22 selling costs in Canada are 113 per cent higher
23 than in the United States."

24 MR. LAYBOURNE: Yes.

25 COMMISSIONER JOHNSTON: Is not that
26 bound to be true, because there is no more selling
27 effort to sell a page in the United States at
28 a high rate than a page in Canada at a much
29
30



1
2 lower rate?

3 MR. LAYBOURNE: That is right.

4 COMMISSIONER JOHNSTON: And that is
5 the reason?

6 MR. LAYBOURNE: That is, basically,
7 the reason for it.

8 COMMISSIONER JOHNSTON: And then, at
9 the top of Page 12 it says: "Administration
10 costs in Canada are about 200 per cent higher
11 than those of the United States." How do you ex-
12 plain that? Do you get more money for your salary?

13 MR. LAYBOURNE: I am very well paid,
14 I can assure you. I would not like to answer
15 with specific detail on this. I would prefer,
16 if I may, to give you a written answer on this,
17 rather than speculate on the form of the preparation
18 of these particular figures which, I myself,
19 did not prepare. I would like to obtain the
20 information on how they were prepared.

21 COMMISSIONER JOHNSTON: In other words,
22 you will do some research on it?

23 MR. LAYBOURNE: Yes, sir.

24 COMMISSIONER JOHNSTON: You underline
25 on Page 13: "Indeed so much Canadian news is
26 carried in Time that it may be said confidently
27 that no other journal provides as much information
28 about Canada, to as many readers, throughout the world.

29 MR. LAYBOURNE: The only amendment
30



1
2
3 that I would make to that statement is a grammatical
4 one: "...no other journal provides so much informa-
5 tion....to so many readers..."

6 COMMISSIONER JOHNSTON: That is an opinion?

7 MR. LAYBOURNE: The substance is an
8 opinion, yes, sir.

9 COMMISSIONER JOHNSTON: Well, I have
10 a different one.

11 MR. LAYBOURNE: All right, sir.

12 COMMISSIONER JOHNSTON: Now, one of the
13 stories that you mentioned as being of great
14 interest in Canada and this is a fact, is eight
15 pages on the Seaway. Was not that of just as
16 much interest in the United States as in Canada?

17 MR. LAYBOURNE: I would think so, yes.
18 It is of complete mutual interest. It is, perhaps,
19 more interesting to more Canadians, on a proportion-
20 ate basis, than in the United States; but, that
21 is a supposition. I do not know. I would say they
22 were equally interested.

23 COMMISSIONER JOHNSTON: I suggest also
24 that the Queen's visit to this side of the Atlantic,
25 which is in the same category -- That visit
26 got space in newspapers in the south-western
27 United States where they have never heard of
28 Canada before, in spite of the circulation of
29 Time.
30



1
2
3 MR. LAYBOURNE: I would like to comment
4 on that. This is my judgment. I think it was
5 an article of great perspective about the place
6 and the role of the Queen in Canada and, indeed,
7 in the Commonwealth -- the place of the Crown.
8 And, as I mentioned here, others seem to have
9 thought so too. I think quality is a most important
10 consideration in these comparisons of space.

11 COMMISSIONER JOHNSTON: Now, in a recent
12 issue of Time, I slipped over the pages -- I
13 would not swear to the accuracy of my observation --
14 but, there were four pages of Canadian news so-
15 called and 52 pages of advertising. Now, in
16 a Canadian edition, is that a proper proportion?

17 MR. LAYBOURNE: The entire editorial
18 content must, in my judgment, bear a decent
19 relationship to the entire advertising content.
20 There is a balance between those two which must
21 be maintained.

22 COMMISSIONER JOHNSTON: I have not been
23 able to find anybody who buys Time for its
24 Canadian four pages of news or comments. My
25 acquaintances who read Time buy it for the
26 back of the book or the United States news. We
27 are interested in the United States in this
28 country. We have to be. We are, anyway.

29 MR. LAYBOURNE: May I comment on that?
30



1
2 COMMISSIONER JOHNSTON: Yes.

3 MR. LAYBOURNE: I have had a distinguished
4 political figure in Canada -- a former member
5 of the Canadian Government -- tell me that he
6 relied on Time considerably for news about Canada.
7 He relied very much daily on the New York Times
8 for news of the rest of the world. He relied
9 on daily newspapers for current, immediate informa-
10 tion.

11 COMMISSIONER JOHNSTON: I suggest to
12 you that if anybody relies on Canadian news in
13 Time, that he is making a great mistake?

14 MR. LAYBOURNE: I recognize your right
15 to your opinion, sir, but I disagree.

16 COMMISSIONER JOHNSTON: Well, you
17 cannot possibly put a week's Canadian news in four
18 pages of brief notes.

19 MR. LAYBOURNE: That is why there are
20 newspapers. The same trouble occurs, by your
21 standards, I think, sir, in reporting of news
22 of the United States affairs in the scope
23 that is taken each week for that, or foreign
24 affairs, in the scope taken for that in Time
25 Magazine.

26 COMMISSIONER JOHNSTON: Those are
27 all the questions I have. Thank you, Mr.
28 Laybourne.

29 THE CHAIRMAN: Thank you, Mr. Laybourne.
30 The next submission is Reader's Digest.



1
2
3 MR. ZIMMERMAN: Mr. Chairman and Members
4 of the Commission:

5 My name is E. Paul Zimmerman, President
6 of The Reader's Digest Association (Canada) Ltd.,
7 and I have with me Mr. J. Kenneth Davey, Vice-
8 President and Secretary-Treasurer of our company,
9 Mr. John L. O'Brien, Director and Counsel of our
10 company, Mr. Roger T. Holroyd, Vice-President
11 and Circulation Director of our company, Mr.
12 Andrew J. Conduit, Vice-President and Advertising
13 Director, Mr. Douglas G. How, Editor of The
14 Reader's Digest, and Mr. Pierre Ranger, Editor
15 of Selection du Reader's Digest.

16 THE CHAIRMAN: Quite a ~~do~~se of you.

17 MR. ZIMMERMAN: Yes, sir. Our written
18 submission and supporting appendices have been
19 in the hands of the Commission for some time now,
20 and I don't think that I could add anything to what
21 has been stated in writing that would be of
22 assistance to the Commission at this moment.

23 On the other hand, I would ask for your
24 instructions, sir, as to whether I would now read
25 the submission or simply have it transcribed in the
26 record. In either event I would ask that the
27 submission and appendices be transcribed in the
28 record.

29 THE CHAIRMAN: We would like sir for
30 you to read the brief, and others can be filed



1
2 as exhibits.

3 MR. ZIMMERMAN: Thank you, sir.

4 Sir, may I say, that the submission
5 was obviously not the work of any one person,
6 and, although, I hope I may be able to answer
7 any questions that are put to me I am sure that
8 you, Mr. Chairman, and Members of the Commission
9 will understand if I have to call upon the
10 assistance of the other executive members of
11 our company who are with me today.

12 We will be glad to supply any information
13 requested by the Commission, either immediately,
14 if it is readily available or at such later
15 time as it can be secured or prepared and it
16 will be convenient for the Commission to receive
17 it.
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SUBMISSION

of

THE READER'S DIGEST ASSOCIATION (CANADA) LTD.

SELECTION DU READER'S DIGEST (CANADA) LTD.

APPEARANCES:

E. PAUL ZIMMERMAN, ESQ.

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ANGUS, STONEHOUSE & CO. LTD.
TORONTO, ONTARIO

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ROYAL COMMISSION ON PUBLICATIONS

SUBMISSION

of

The Reader's Digest Association (Canada) Ltd.

Selection du Reader's Digest (Canada) Ltee.

Montreal, P.Q.,

November 1, 1960.



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1 The Reader's Digest undertakes in this
2 brief to depict its operations and aims in
3 Canada, in the United States, and in approx-
4 imately 100 countries where its 29 editions
5 in 13 languages circulate. The brief includes
6 a history of recent periodical publishing in
7 Canada, with a comparative study of periodicals
8 in Canada, the United States and Great Britain.
9

10 The Reader's Digest was founded in
11 the United States in February 1922 by Mr. and
12 Mrs. Dewitt Wallace. Mrs. Wallace was born
13 in Virden, Manitoba, as was her only brother,
14 the late Barclay Acheson, architect of the
15 Digest's international operations and its
16 bilingual Canadian editions.

17 For nearly four decades Canadians
18 have bought and read The Reader's Digest as
19 eagerly as Americans. Canadians were buying
20 450,000 copies of the United States edition
21 a month by late 1943. On December 17th of
22 that year The Reader's Digest Association
23 (Canada) Ltd. - Selection du Reader's Digest
24 (Canada) Ltee. was incorporated under
25 Canadian laws. In the same year the printing
26 of copies of the U.S. edition destined for
27
28
29
30



1 Canada commenced in this country.

2
3 The longer-range aim - to develop a
4 complete Canadian business of publishing,
5 producing and distributing editions in
6 French and in English - had to be deferred
7 until after the war. In July 1947 Selection
8 du Reader's Digest (first print order,
9 128, 130) appeared, with 10 pages of adver-
10 tisements and 130 pages of text selected by a
11 French-Canadian editor from the central pool
12 of international material available. The
13 editor had available the translations from
14 the Paris edition, adapted these translations
15 to the Canadian scene, made cuts or changes
16 to suit the text to his readers and wrote
17 new captions or headlines for the articles.
18 The procedure thus summarized continues to
19 this day -- and under the same editor.

20 A Canadian edition in English
21 followed in February 1948 (first print order
22 603,032, prepared in much the same way but
23 without the need for translation: a 184-page
24 magazine made up from 23 pages of advertisements
25 and 161 of adapted editorial text chosen
26 from the central pool for its interest to
27
28
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30



1
2 Canadians.

3 Nowadays a typical issue of Selection
4 du Reader's Digest carries 108 pages of ad-
5 vertisements, 164 of editorial matter, and
6 sells 199,626 copies; the Canadian English-
7 language edition averages 103 pages of ad-
8 vertisements, 187 editorial pages, and has a
9 circulation of 850,483.

10
11 The Canadian company had a staff of
12 30 in 1948; today it employs 430 persons.
13 Its management is Canadian up to and in-
14 cluding its president, and it has consisten-
15 tly carried out its policy of employing
16 Canadians throughout its own organization
17 and buying goods and services in Canada
18 whenever available.

19 Of every dollar of magazine revenue
20 that came into the coffers of the Canadian
21 company of The Reader's Digest during 1959,
22 there remained in Canada 84.5 cents.

23
24 It is against this background that
25 The Reader's Digest of Canada hopes it may
26 be thought qualified to make a contribution to
27 the Royal Commission study of Canada's
28 periodical press.



THE READER'S DIGEST ASSOCIATION
"WHAT IT IS"

The Reader's Digest was founded in February 1922 by DeWitt Wallace and his wife, Lila Acheson Wallace. Mr. and Mrs. Wallace - today, as then, the Digest's editors and owners - had no publishing experience, little capital, no shareholders or important backers. All they had was a new idea for a magazine, and the talent and energy to put that idea across in the face of wide-spread belief in the publishing industry that they were doomed to failure.

In the thirty-nine years since the Digest's founding, even in the last ten years, many magazines have failed and disappeared. Others, like the Reader's Digest, have survived and flourished, chiefly because they have filled some need not otherwise supplied.

From the moment of the Digest's first appearance in 1922, it brought to journalism a new concept. The Wallaces were convinced that they could perform a service to readers by selecting from the abundance of printed material "articles of lasting interest."



1 The basic concept was that in the hectic
2 tempo of the twentieth century few could
3 hope to keep abreast of the best that was
4 being published in the magazines of the
5 day. A technique was devised whereby
6 printed material could be shortened and its
7 reading speeded without loss of meaning or
8 impact. By selecting from other publications
9 articles that seemed of wide and lasting in-
10 terest, and by condensing each to its inner
11 core, a magazine was achieved different
12 from others in intent and approach. This
13 remains true of the Reader's Digest today.
14

15 To help to understand why the Digest
16 is complementary to, and does not compete
17 with, other periodicals, it may be worth-
18 while to consider a few things which the
19 Digest is not:

20
21 It is not a news magazine. By its
22 nature as a monthly publication
23 it cannot hope to compete in this
24 field.

25 It is not a picture magazine. It
26 relies almost exclusively on the
27 printed word to convey its infor-
28 mation.
29
30



1 It is not a fiction magazine, nor
2 does fiction play more than the most
3 minor role in its pages. Not more
4 than half a dozen fiction stories
5 are printed in the Digest in the
6 course of a year.

7
8 It is not a magazine that appeals
9 predominantly to either sex. The
10 Digest readership is quite evenly
11 divided (51 percent men - 49 per-
12 cent women), and its articles are
13 designed to be read with nearly
14 equal interest by men and women,
15 young and old.

16 Looking at it for what it is, the
17 Digest was in the beginning and still is a
18 convenient pocket-size collection of
19 articles of lasting interest, concisely
20 presented and dedicated to its founders'
21 conviction that life is a savoury adventure,
22 rewarding to all who share a spirit of self-
23 improvement and co-operation with their
24 fellows towards the betterment of others.
25 Its editors - and, by their own testimony,
26 its readers - believe these to be some of
27 its attractions:
28
29
30



1 Its wide variety of articles covering
2 the sweep of human thought and
3 activities.

4 A constructive and optimistic approach
5 to the problems and interests of the
6 human race; a devotion to improve-
7 ment, physical, spiritual, mental,
8 moral and cultural; a belief in the
9 power of the individual to change his
10 circumstances and his environment for
11 the better.

12
13 A preference for stories told in terms
14 of people rather than of things or
15 abstractions - in incident and example
16 and anecdote rather than in static
17 generality.

18 A willingness to break new ground, to
19 startle, to shock and even to anger,
20 provided the editors are convinced an
21 essential service will thereby be ren-
22 dered to readers.

23
24 Condensation of all material by editors
25 who are committed to brevity, felicity
26 of phrase, pungent and colorful
27 writing, and elimination of empty verbiage.

28
29
30



1
2 The nature of the Digest, as a monthly
3 magazine of universal interest, sets it
4 apart in a field where few, if any, magazines
5 have been interested in competing.

6 Historically, magazines have been timed to
7 the pace of current events. The Digest cannot
8 hope to match them there. Their pace is too
9 swift, the topics in general too timely.

10 All the Digest can hope to do is to publish
11 material that does not depend primarily on
12 timeliness for its impact. Thus it is a
13 reflective magazine, seemingly well geared to
14 attract a broad audience representing many
15 segments of humanity, but (according to
16 copious evidence available in the Digest's
17 files) a magazine that tends to create
18 readers for other publications rather than to
19 lure them away.

20 The Digest pays many other magazines
21 for the right to reprint articles. Thus
22 other magazines are essential to The Reader's
23 Digest, and in consequence the Digest's
24 editors and business executives have always
25 had at heart the continued good health of
26 all magazines, large and small. From its in-
27 ception the Digest has in turn enjoyed the
28
29
30



1 good will and moral support of most other
2 magazine editors, many of whom have publicly
3 praised the editorial skills that have made
4 the magazine unique.

5
6 The record shows that the Digest co-
7 operates with many magazines, including a
8 number in Canada, helping them to obtain
9 articles they might otherwise not have (See
10 Appendix 1(b)). The record further shows
11 that the Digest does not actively compete
12 with other magazines in bidding for exclusive
13 rights to stories and articles or for the ex-
14 clusive services of writers. This restraint
15 is not based on an attitude of altruism but
16 arises from the unique nature of the magazine.
17 There is no need for the Digest to compete
18 for articles since its primary role is to
19 reprint articles after they have been
20 published elsewhere.

21
22 Latterly a portion of The Reader's
23 Digest has consisted of original articles.
24 Even this material, however, is seldom acquired
25 in competition with other magazines; indeed,
26 the very reason why such articles are
27 created precludes competition. In general
28
29
30



1 there are originated in areas relatively un-
2 touched by other magazines. Many magazines,
3 for instance, do not care to devote a great
4 deal of space to articles guiding readers to
5 self-improvement. The Digest feels a need
6 for such material and develops it frequently.

7
8 And, just as most other successful
9 magazines tend not to seek their material in
10 fields that The Reader's Digest has made
11 peculiarly its own, just so does the Digest
12 concede to those others whole areas which it
13 considers itself ill-qualified to cover
14 properly. A prime example is the topical
15 domestic scene in any of the hundred-odd
16 countries where the Digest is bought for its
17 international editorial contents.

18 Two issues of The Reader's Digest are
19 attached: February 1922 (the first issue) and
20 October 1960. A glance at the contents will
21 show continuity of the magazine's
22 editorial approach, the nature of the in-
23 terest it holds for more than a million
24 Canadian households and 20 million others in
25 every corner of the free world.
26
27
28
29
30



THE READER'S DIGEST ASSOCIATION
"WORLDWIDE SPHERE"

The story of the international editions of The Reader's Digest is well worth telling here because what the Digest is in Canada and what it does in Canada can only be fully understood against that background. Its Canadian operation is not something unique. It is part of a worldwide pattern.

The Digest has enjoyed substantial circulation outside its country of origin from its very early days. One way or another, a surprising number of people in many lands soon became acquainted with the little pocket-sized monthly collection of condensed reprints, and wrote in spontaneously to the Pleasantville, N.Y., office asking to become subscribers.

By the late thirties, more than 50,000 copies of the Digest were being bought each month in Great Britain alone. Through the mail the magazine's founders were receiving a stream of requests from British Readers for an edition of their own.

In 1938 a British edition was launched with headquarters in London. It



1 was an immediate success - at the end of its
2 first year British circulation had more than
3 doubled. Today its monthly circulation is
4 over one million.

5
6 But it was in 1940 that the present-
7 day policies and philosophies of Reader's
8 Digest international operations may be said
9 to have had their real origin. In that year
10 began Selecciones del Reader's Digest, a
11 selection from the central editorial pool of
12 articles translated into Spanish, combined
13 with advertisements and circulated among the
14 people of Latin America. This edition,
15 which was selling 400,000 copies a month
16 within two years, was followed in 1942 by
17 another in Portuguese, primarily for
18 Brazilians (circulation after two years,
19 300,000) and, incidentally, for Portugal it-
20 self (circulation after two years, 37,000).

21 The war slowed, though it didn't
22 entirely halt, plans to expand to Europe,
23 but immediately after the end of hostilities
24 came the great and speedy expansions which
25 resulted in The Reader's Digest as we know
26 it today; 29 editions in 13 languages cir-
27 culating in more than 100 countries at the
28
29
30



1 rate of some 21,000,000 copies a month.
2 (For a capsule picture of The Reader's Digest
3 International Editions, see Appendix 1 (a)).
4 It is conservatively estimated that
5 75,000,000 people read the Digest in one
6 language or another every month.

7
8 The pattern of editorial approach and
9 business management has remained consistent
10 through the years. Editorially, the material
11 for all editions has always derived from the
12 central pool - a reservoir, incidentally,
13 which has become increasingly international
14 through the years from the material chosen
15 by the Digest's multi-national editorial
16 staff.

17 Using the English-language Canadian
18 edition as an example, 33 per cent of the
19 articles published this year have been about
20 universal subjects without racial or geogra-
21 phical significance; 22 per cent about
22 countries other than the U.S.A., and 45 per
23 cent have been more or less oriented to
24 subject matters pertaining to the U.S.A.
25 But through the great majority of all Digest
26 articles, regardless of whom or what they
27 discuss, runs the common thread of universal
28
29
30



1
2 interest without which the magazine's
3 universal acceptance would have been impos-
4 sible.

5 Each edition pays its full pro-rata
6 share of the cost of developing the central
7 pool or articles, in the same proportion as
8 the U. S. edition in relation to circulation.
9

10 Every article printed in one of the
11 international editions of the Digest must
12 appear in its original text either earlier or
13 at the same time in the parent U.S. edition.
14 None of the international editions prints
15 every article that appears in the parent
16 edition. Some print considerably less; as
17 one example, the English Canada edition
18 prints all but a few.

19 Introductions of domestic material in-
20 to the various editions was considered at the
21 outset and discarded. It has been reviewed
22 time and again and the decision has always
23 remained the same: to leave to each country's
24 domestic periodicals the field of domestic
25 coverage, reserving for the Digest the
26 opening of "windows on the world" and on the
27 inner character and aspirations of man rather
28 than on his activities as a national citizen.
29
30



1
2 In the non-English language editions,
3 the editors of The Reader's Digest have
4 taken special care with, and pride in, the
5 quality of translation. This is notably true
6 of the French Canadian edition, Selection du
7 Reader's Digest. Tributes beyond anything
8 the Digest might care to claim for itself
9 have come from a wide variety of eminent
10 sources to the contributions thus made to
11 linguistic cultures.

12 In each country where a Digest edition
13 is published, every effort has been made to
14 obtain the best available editorial staff.
15 It is the task of these men and women to
16 select the articles for their editions, to
17 adapt and adjust those articles for their
18 own audience, to procure and perfect
19 translations if needed, to develop and insert
20 small boxes or postscripts to put an article
21 into proper local focus, and, finally, to
22 direct efforts to develop articles locally
23 that will contribute to the Digest's central
24 editorial pool.

25 On the business side, the Digest's
26 international editions are similarly true to
27 a well-established pattern, Wherever feasible,
28
29
30



1 the Digest conducts its international publish-
2 ing activities through affiliated companies,
3 full corporate citizens of the countries in
4 which they are established.

5
6 Relations between Reader's Digest
7 Association Inc., the parent Company, and the
8 corporations which publish the Digest's
9 international editions are regulated by formal
10 contracts, are maintained as nearly as possible
11 in the "arm's length" manner which would pre-
12vail if they were unaffiliated.

13 A corollary to the foregoing is that
14 Digest affiliates, wherever located, are
15 required to stand or fall in fair competition
16 with other media on the national scene. Each
17 Digest company carries out all the publishing
18 operations carried out by any other local
19 published, with the sole exception that the
20 editorial material from which the edition is
21 made up is received from the previously
22 described central pool.

23
24 As stated previously, Reader's Digest
25 operates wherever possible through inter-
26 national affiliates. There are these
27 exceptions:

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1 In Japan, stemming back to occupation
2 days when an affiliate organization was not
3 possible, a branch operation was established
4 which is an integral part of Reader's Digest
5 Association Inc. of Pleasantville, N.Y. in
6 business structure, but which carries on its
7 activities in other respects in much the same
8 way as do the affiliates.

9
10 In Brazil, Finland and United
11 Arab Republic, there are licensed operations
12 whereby local publishers, not otherwise
13 affiliated with the Reader's Digest, put out
14 the editions in accordance with contractual
15 agreements with Reader's Digest Association
16 Inc. This arrangement was arrived at for
17 the Finnish and Arabic editions because of
18 economic conditions and population limita-
19 tions which made it impractical to try to set
20 up a full-fledged affiliated company to handle
21 sales on so small scale. In Brazil, the
22 licensing arrangement was made in answer to
23 restrictions against the ownership of publishing
24 enterprises by any but Brazilian citizens,
25 a restriction which applies to many other
26 industries.

27 Throughout the world, outside the U.S.A.,
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1 the Reader's Digest now employs some 2,600
2 people, about one-sixth of whom are members
3 of the Canadian company's staff.
4

5 Aside from Mr. and Mrs. DeWitt Wallace,
6 who conceived the Reader's Digest and carried
7 it through to reality, the man who may be said
8 to have been most responsible for the
9 development of the Digest International Editions
10 was the late Barclay Acheson. A brother
11 of Mrs. Wallace and, like her, a native
12 of Virden, Manitoba, Mr. Acheson was
13 Director of the International Editions from
14 1942 until his death in December 1957.

15 It was he who established the policy
16 which the Digest follows wherever it
17 publishes: the policy of "good corporate
18 citizenship". This simply means that wherever
19 the Digest sets up an international affiliate,
20 that affiliate becomes a fullfledged
21 publisher in its own right, uses local
22 people, local materials and local services
23 and contributes wherever and whenever
24 feasible to the economic well being of the
25 country concerned. This is true in many
26 countries of the world today. It is
27 notably true of Canada.
28
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THE READER'S DIGEST ASSOCIATION (CANADA) LTD.
SELECTION DU READER'S DIGEST (CANADA) LTEE.

Operating History

The Reader's Digest Association (Canada) Ltd. follows in this country the worldwide policy of the Digest: it does its best to operate as a good corporate citizen.

It is in business here because more than a million Canadians want to buy its magazines each month. The Canadian company exists to serve that demand. It is proud of the way it has developed in Canada, of its efforts to become an integral part of the Canadian economy and of the benefits it believes this has meant to the country.

Until 1943 Canadian circulation was serviced entirely from the United States. The Canadian company was incorporated in that year, at a time when Canadian circulation stood at 450,000. Since then, Canadians have read copies of the Digest printed in their own country and distributed with Canadian postage through the Canadian mails. (For complete circulation data see Appendix 11-3-(a)).

Arrangements were made with Ronalds-



1 Federated Ltd. to print the Digest in Montreal.
2 The move was a welcome addition to Canada's
3 wartime economy.

4
5 But the company's major steps in Canada
6 have come since the war. In 1947 the Canadian
7 company started publishing Selection Du
8 Reader's Digest, its edition in French, a
9 step which proved unprofitable for a number
10 of years. In 1948 it bought a press,
11 established it in the Ronalds plant and set
12 up a complete publishing enterprise in
13 Canada for editions in both French and
14 English. Until that time, Canadian readers
15 had been getting the U.S. edition in English.

16
17 The company's growth has been the
18 best evidence of Canada's response to The
19 Reader's Digest. In 1948 it had 30 employees.
20 Today more than 430 Canadians are directly
21 employed, and the company provides work for
22 more than 600 other Canadians in many other
23 firms through its purchase of materials and
24 services. Right up to its president, it is
25 manned and managed by Canadians.

26
27 The Canadian company's employment
28 policies have won flattering attention from
29 others. Employees enjoy four weeks'
30



1 holiday with pay after three years,
2 participate in a pension scheme which is be-
3 lieved to be unsurpassed in scope and
4 generosity in Canada, receive fair and
5 attractive salaries, and share their employ-
6 ers profits.
7

8 Next spring they will move into the
9 Digest's first full-fledged Canadian home, a
10 \$2,000,000 project being built for it in
11 Westmount, Que (See Appendix l-e).
12

13 In 1948 Canadian circulation of the
14 Digest stood at 600,000. In 1961, it will be
15 1,100,000. The company carries on in this
16 country every business function performed
17 by any magazine publisher. Its two magazines
18 depend on Canadian sources of supply for
19 every type of service and material that is
20 available in this country. It relies, for
21 instance, on Canadian paper (it bought 3,798
22 tons last year), on the Canadian mails (it
23 is one of the largest customers of the
24 Canadian Post Office), on Canadian printers,
25 envelope makers, engravers, news dealers, and
26 on Canadian newspapers to advertise its
27 monthly magazines.
28

29 The Canadian company estimates that it
30



1
2 will have paid out more than \$9,000,000 in
3 Canada in 1960 to meet its expenses for its
4 varied operations.

5 These are the broad outlines of the
6 Digest's business history in Canada and what
7 this has meant to the Canadian economy
8 (Details will be found in Appendix I-D).
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Editorial Function,

The Digest's editorial costs in Canada spring from three main sources. These are:

1. Development of Canadian stories for the central pool from which all Digest editions draw. This involves salaries and expenses of Canadian staff members, as well as payments to Canadian and other free-lance writers.
2. The share paid by the two editions in Canada towards the total cost of creating all the articles from which all Digest editions draw.
3. The editorial staff employed in Canada to select and perfect the articles published in the two Canadian editions.

These cost functions have already been examined against the international background of the Digest itself. Let us now examine them against a Canadian background.

In considering the statement that the Canadian company pays its proportionate share of the total cost of creating the Digest's pool of articles, it should be borne in mind that its share has been established on the



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1 same basis as the editorial fees charged to
2 all Digest international affiliates, and in
3 the same proportion as the share of costs
4 borne by the U.S. Reader's Digest.

5 Canadian company payments made under
6 this arrangement in 1959 would have purchased
7 roughly 450 articles at the highest regular
8 rate paid by any other magazine published in
9 Canada. And this is roughly twice as many
10 articles as any other Canadian-published
11 magazine carries in a year.

12 Add to this the cost of the editorial
13 staffs of the Digest's two Canadian editions
14 and of story-developing operations inside
15 Canada, and the total would compare favour-
16 ably with any other Canadian-published
17 magazine.
18

19 The Digest employs in Canada a full-
20 time editorial staff of fourteen persons,
21 divided into English and French editorial,
22 and that part of the Art Department which
23 serves these two branches. This is a con-
24 siderably larger full-time editorial staff
25 than many other Canadian magazines employ,
26 despite the fact that the Digest's articles
27 come from an international central pool.
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1
2
3 The editor of the English-language
4 edition is Douglas How, who has had wide ex-
5 perience in the newspaper, news agency and
6 news magazine fields, as a war correspondent
7 in Italy in the Second World War and as a
8 member of the Parliamentary Press Gallary
9 for eight years. He came to the job in
10 September 1959, succeeding Shane MacKay,
11 Canada's first Nieman Fellow, who became the
12 executive editor of the Winnipeg Free Press.
13 The editor of the Selection du Reader's Digest is
14 Pierre Ranger who, since graduating in law
15 from the University of Montreal, has been a
16 reporter with the newspaper Le Canada,
17 publicity director of Montreal radio station
18 CKAC, and a writer and editor with the Wartime
19 Information Board. He joined Selection du
20 Reader's Digest at its inception in 1947.

21 These editors and their staffs select
22 from the central pool those articles they
23 feel would best suit the needs of the two
24 editions in this country. They do some
25 further editing and, in the case of Selection
26 du Reader's Digest, they direct and perfect
27 translations. They direct the art work,
28 the proof-reading, the makeup, the liaison
29 with the printers --- all matters that go
30



1
2 into putting any magazine to press.

3 They maintain a watch for Canadian
4 articles and article ideas, and assign writers
5 to do research for general articles on which
6 Canada could contribute. They watch for
7 Canadian books that would be of interest.
8 They keep in touch with the Canadian professional
9 writers. They answer many questions from non-
10 professionals who would like to write for
11 the magazine. They answer a flood of reader-
12 mail about articles that have appeared.
13 They provide guidance to the Digest's U.S.
14 and other international editors on matters
15 Canadian.

16
17 As required, they add boxes or foot-
18 notes to clarify the situation in Canada
19 itself on subjects of international interest
20 that have been treated at length. For
21 instance, when an article appeared about an
22 organization known as Toastmasters Inter-
23 national, the editors felt that an intelligent
24 Canadian reader would want to know whether it
25 existed in this country. A brief box
26 pointed out that there are 3,500 Canadian
27 members of Toastmasters International in 140
28 clubs from coast to coast.
29
30



1
2 The Digest makes no pretence of being
3 a magazine to inform Canadians about Canada.
4 The Digest's editorial philosophy precludes
5 direct editorial competition with magazines
6 that do have that mission; to them it con-
7 cedes the primary role of telling Canadians
8 about their own country. The Digest does
9 carry articles about Canada and articles
10 picked up from Canadian magazines, but only
11 when the editors feel they will interest
12 people in other lands as well as Canadians.
13 That is the yardstick.

14 Canadians want to read about themselves
15 and their own country. They seem also -
16 judging by their long-standing reading and
17 buying habits - to want to learn about the
18 rest of the world, and the Digest helps to
19 satisfy this need in Canada.

20
21 Now, as to cost to the reader, the
22 Canadian who reads the Digest pays more than
23 twice as much for each copy as he would pay
24 for any other major Canadian-published
25 periodical (See appendix 11-5). If he
26 chooses the Digest in preference to other
27 available magazines, he does not do so be-
28 cause of a low price.
29
30



1 The Digest's Canadian editors are
2 trying through the Digest to tell the world
3 more about Canada. They feel they have made
4 headway in this. As former Prime Minister
5 St. Laurent has stated: "I have seen
6 articles by and about Canadians published in
7 Spanish, Norwegian, Japanese, Italian and
8 various other languages by the Reader's
9 Digest... The Digest tells many nations about
10 each other. We cannot have too much of this
11 free exchange of information if the world
12 is to achieve trust and understanding.

13
14 As just one example, the October 1960
15 issue -of which copies have been made
16 available to the Commission - carried an
17 article entitled "Go North, Young Man",
18 which told why thousands of United States
19 citizens now are coming to Canada to settle
20 every year. It stressed that Canada needs and
21 encourages as immigrants only those U.S.
22 citizens with skills and training. Within
23 24 hours, according to the Department of
24 Citizenship and Immigration, the Canadian
25 Immigration offices in the United States
26 were being bombarded with inquiries.

27 Over the years the Digest has told a
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1 good many stories of Canada in many languages.
2 It has told at length about Prime Ministers King,
3 St. Laurent and Diefenbaker, of the great
4 Canadian doctors Osler, Banting, Penfield and
5 Selye, of vast Canadian economic develop-
6 ments such as Steep Rock, Kitimat, the Quebec
7 North Shore, the St. Lawrence Seaway,
8 Saskatchewan's uranium and Alberta's oil. It
9 has told of the Chalk River atomic project,
10 the Stratford Festival, the Calgary Stampede,
11 the R.C.A.F.'s Artic Survival School and the
12 DEW Line. It has on various occasions dealt
13 with the question of Canada-U.S. relations
14 through such writers as Bruce Hutchison,
15 Leslie Roberts and Merrill Dennison. It has
16 told both in articles and book condensations
17 of the people of the Canadian frontier, the
18 homesteaders, the bush pilots, the Mounties,
19 and the Eskimos.

20
21 In 1960, it has carried articles about
22 the Springhill mine disaster; the famous
23 murder by airplane Guay case in Quebec, the
24 St. Lawrence Seaway; North American joint
25 air defence; a story by Alberta guide Andy
26 Russell about his experience in photographing
27 wild animals in the Rockies; the story of why
28 editor-farmer Gordon Green, President of the
29
30



1 Canadian Authors Association, sold his farm
2 near Montreal; a chapter from the book "Women
3 and Fatigue", by the late Dr. Marion Hilliard
4 of Toronto, and an article by Dr. Gustave
5 Gingras of Montreal on his experiences as
6 Chief Red Cross delegate in charge of
7 establishing the rehabilitation program for
8 paralysis victims of a plague in Morocco.
9 An Unforgettable Character sketch of the
10 famous golfer, Bobby Jones, was contributed
11 by Mrs. Alexa Stirling Fraser of Ottawa.

12
13 In addition, the Digest picks up
14 articles which have appeared in Canadian
15 magazines (See Appendix 10b).

16
17 The Canadian editors of the Digest
18 would like to see still more stories of
19 Canada carried by the Digest around the
20 world. In the past year they have made per-
21 sonal contact with some three dozen of the
22 top writers in Canada and urged them to
23 submit articles. They have pointed out
24 that the Digest is interested in working
25 directly with writers to develop articles,
26 have told them of its requirements and of
27 the types of stories of Canada which it has
28 carried in the past. As a result of these
29
30



1 personal contacts, two additional articles
2 about Canada by Canadians have already been
3 printed around the world and others are being
4 developed or considered. The Digest would
5 like very much to find Canadian writers who
6 could write for it on a regular basis. The
7 editors in Canada will continue to look for
8 them.

9
10 From the long-range standpoint, the
11 Canadian company has decided that it should
12 try to make a significant contribution to the
13 development of Canadian journalism and jour-
14 nalists in general on the theory that this
15 could be of future benefit not only to Canada
16 but to the Digest in its search for stories
17 of Canada. Consequently, it has embarked
18 on an educational program which touches the
19 high school, college and post-graduate levels.
20 These are the steps taken:

21 1. The Canadian company is working with
22 the Boys' Clubs of Canada on an essay con-
23 test which will give some \$1,000 in prov-
24 incial and national prizes for excellence in
25 composition.

26 2. It is making \$1,000 a year available
27 to each of the two full-fledged Schools of
28
29
30



1 Journalism - at Carleton University, Ottawa,
2 and the University of Western Ontario,
3 London - to be used as scholarships.

4 It might interest the Commission to
5 hear the remarks made by Prof. Wilfrid
6 Eggleston, Director of Carleton's Department
7 of Journalism, concerning the two \$500 Fellow-
8 ships the Digest is making available annually
9 for students who already have Bachelor of
10 Arts degrees and want to round them off with
11 a year of training in journalism.

12 "I have felt for many years that the
13 journalist is a vital factor in the preserv-
14 ation and enlargement of democratic life and
15 that it is most important that a fair per-
16 centage of the brightest and ablest young
17 people should be assisted to get into this
18 profession. I have also felt that the
19 publishing industry has failed to seize the
20 opportunities which exist in this laudable
21 field. Carleton University in general and
22 the Department of Journalism in particular
23 are grateful to you for pioneering the way
24 toward an increased recognition of this
25 need. The Reader's Digest Fellowships will
26 be the first in our history especially
27 devoted to the encouragement of journalism
28
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1 training in this way. I hope your thoughtful
2 action will be the means of stimulating and
3 encouraging further action of this kind. It
4 will be most interesting to watch the
5 accumulated effect of this pioneer venture
6 in the financial encouragement of aspiring
7 journalists".

8 3. The Canadian company is making \$1,000
9 a year available to Laval University, Quebec
10 City, for a scholarship in Arts, with the
11 intention of helping students who may take
12 up writing for a career.

13 4. The Digest will for the next five
14 years pay the cost of sending a Canadian
15 journalist, chosen by representatives of the
16 press, to Harvard University annually on a
17 Nieman Fellowship which will allow him to
18 broaden his horizons as he sees fit with a
19 year of academic study. Five Canadians have
20 gone to Harvard as Nieman Fellows but none
21 has gone in the past three years. Thus
22 this will mark a revival of a scheme which
23 is generally conceded to have been an ex-
24 cellent thing for journalism in this country.

25 5. The Digest has for some years been
26 making an annual contribution of \$200 to the
27 Canadian Writers Foundation to help in its
28
29
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1 good works on behalf of writers in this
2 country.

3 It is the intention of the Canadian
4 company to expand as experience indicates
5 its program of lending support to journalism
6 and journalists in Canada.

7
8 The Digest was the first magazine in
9 Canada to publish in both of the country's
10 two languages, and until this year it was the
11 only magazine to do so, a fact which was
12 noted by the Massey Royal Commission of
13 1949-51. It can claim a truly nation-wide
14 circulation because it has recognized, in a
15 concrete way, the fact of Canadian bilin-
16 gualism.

17 Selection du Reader's Digest's editorial
18 budget is probably higher than that of any
19 other French-Canadian magazine. Distin-
20 guished men and women among its readers have
21 praised not only its editorial content, but
22 the quality of the French language in its
23 pages. In a report which the Massey Com-
24 mission asked him to prepare on the state of
25 Canada's French press, Mr. Donatien Fremont,
26 well known for his years of efforts for the
27 survival of the French language in the
28 Western provinces, wrote: "Selection du
29
30



1 Reader's Digest occupies in Canada a place
2 which does it honor". This magazine, he
3 added, is "the greatest and happiest effort
4 yet made to give French Canada a publication
5 beyond reproach for the purity of its
6 French".

7 Mr. Manuel Maitre, secretary general
8 of the Societe du Bon Parler Francais, ex-
9 pressed the wish that "Selection further
10 extend its salutary cultural influence.
11 This magazine, which is within the reach of
12 everyone, contains in its bright, luminous
13 pages a message of confidence and hope for
14 the future of the French language in Canada".
15

16 Among others who have praised Selec-
17 tion du Reader's Digest are Dr. Hans Selye,
18 J.-Edouard Simard, Dr. Wilfrid Pelletier,
19 Nicole Germain, "Colette" Lesage, Mme
20 Laure Hurteau, Roger Baulu, "Tante Lucille",
21 and many others.

22 Among English-speaking Canadian
23 readers, the Digest has had many fine tributes
24 for the magazine and its editorial content
25 (See Appendix I-c).
26
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1 Summary of Growth

2
3 In summary, then, the Canadian Reader's
4 Digest has grown steadily as an employer of
5 Canadian people, materials and services and
6 as a part of the Canadian economy. These have
7 been the key events in this story of pro-
8 gressive development:

9 1. 1943 - The Canadian company was incorpor-
10 ated and began to service its
11 Canadian circulation with copies
12 printed in Canada.

13
14 2. 1947 - Selection du Reader's Digest
15 established as French-language
16 edition.

17 3. 1948 - Separate edition established for
18 English Canada and full-fledged
19 Canadian publishing operation
20 launched.

21
22 4. 1959 - Growth reaches point where the
23 company has to have its own home.
24 Building begins.

25 As part of this pattern, the Canadian
26 company has for some time been working out
27 plans to have a majority of Canadians on its
28
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1 six-man Board of Directors and to make stock
2 in the Canadian company available to its
3 senior employees. Both of these projects
4 are well under way. One-third of the com-
5 pany's Directors are Canadians and the plan
6 to make stock available to senior members of
7 its staff is expected to be implemented
8 early in 1961.
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Officers and Business Locations.

Incorporated

By Letters Patent issued by the Govern-
ment of Canada under date of December
17th, 1943.

Directors and Officers

Directors

E.P. Zimmerman - Montreal, Quebec
J.L. O'BRIEN, Q.C. - Montreal, Quebec
A.L. Cole - Pleasantville, New York
W.W. Hitesman, Jr. - Pleasantville, New York
F.D. Thompson, Jr. - New York, New York
P.W. Thompson - Pleasantville, New York

Officers (All Canadian)

E.P. Zimmerman - President
A.J. Conduit - Vice-President and
Advertising Director
R.T. Holroyd - Vice-President and
Circulation Director
J.K. Davey - Vice-President and
Secretary-Treasurer

Offices

Advertising Sales - 130 Bloor Street West,
Toronto, Ontario
Head Office - 1015 Beaver Hall Hill,
Montreal, Quebec

Printing Press

Location: Ronalds-Federated Ltd.,
6300 Park Avenue,
Montreal, Quebec.



1 COMPETITION - THE MAGAZINE INDUSTRY

2
3 PERIODICAL PRESS DEFINITIONS

4 As will have been noted, this brief
5 concerns itself with consumer periodicals
6 ("periodicals" and "magazines" may be re-
7 garded herein as generally synonymous);
8 periodicals aimed at the general public, or a
9 broad section of it, and covering one or more
10 of the following subjects:

11 National and foreign affairs;
12
13 beauty, grooming and fashion; building and
14 home decoration, maintenance and improvement;
15 business, industry and finance; children;
16 farming and gardening; food; health; sports,
17 hobbies and recreation; travel; general
18 interest; fiction and entertainment."

19 This brief does not cover the many
20 types of non-general periodicals (house
21 organs, fraternal, religious and educational
22 publications, etcl, etcl). It does include
23 the week-end periodicals (Weekend Magazine
24 and Perspectives, Star Weekly Magazine, Le
25 Petit Journal, etc.) which, much like
26 "traditional" periodicals in content, com-
27 pete with them for reader-time and advert-
28 ising dollars. Printed usually on less-
29
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1 costly paper, the week-end periodicals are
2 sometimes published and circulated independ-
3 ently, sometimes circulated with and by the
4 week-end editions of newspapers.

5
6 The Reader's Digest has been treated
7 separately, and at length, to give the Royal
8 Commission -- in accordance with the
9 definitions set forth by the Order in Council --
10 a more detailed basis for inquiring into the
11 nature of competition within the periodical
12 industry.

13 Consumer periodicals may be weeklies,
14 fortnightlies, monthlies, bi-monthlies or
15 quarterlies. Apart from that, those other
16 than The Reader's Digest that are available
17 to the Canadian public and to advertisers may
18 be classified as follows, according to their
19 printing and publishing policies:

20
21 1. Periodicals printed and published
22 in Canada (other than The Reader's Digest):
23 Maclean's Magazine, Weekend Magazine and
24 Perspectives, Chatelaine, Liberty, Actualite,
25 etc. There are well over 100 of these; 12
26 are members of the Periodical Press Associa-
27 tion of Canada (With them might be bracketed
28
29
30



1 The Globe Magazine and Ontario Today, two
2 Canadian periodicals currently printed in the
3 United States.)

4
5 2. U.S. periodicals printed and
6 published in the United States: unchanged
7 except by replacing some U.S. advertising
8 with Canadian advertising (Bride's Magazine,
9 Everywoman's-Family Circle, Good Housekeeping,
10 Life, McCall's, McCall's Needlework, Modern
11 Miss, Saturday Evening Post, Woman's Day);
12 these magazines are sometimes called "split
13 runs". Other U.S. periodicals are changed
14 by adding some special editorial as well as
15 advertising material for Canada (Argosy and
16 True).

17 3. A periodical printed and published
18 in the United States, specially re-edited
19 and augmented for Canada and with Canadian
20 advertisements only; Time - Canadian Edition.

21
22 4. A periodical printed and published
23 in the United States whose U.S., as well as
24 its Canadian readers, get some Canadian
25 advertising in their copies: border editions
26 of TV Guide which circulates in both countries.



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5. More than 400 other consumer
periodicals printed and published in the
United States, in Britain, and in France that
sell copies in Canada -- copies identical in
editorial and advertising content with the
copies sold in their countries of origin.



1 The Struggle For An Audience

2
3 The periodicals of Canada stand or
4 fall on their ability to attract and retain
5 readers (The advertising revenue attraction
6 on established media depends greatly on this
7 "proven audience"). But "readers" is only
8 shorthand for "people who by choice spend
9 leisure time in reading" -- and all of us
10 choose to devote our leisure to many activities
11 besides magazine-reading. We go to movies or
12 plays or concerts, watch television, listen
13 to radio, or phonograph records, bowl or curl
14 or play soft-ball, attend baseball games or
15 hockey matches or prize-fights, take motor
16 trips, pursue any of a thousand and one
17 hobbies -- or perhaps just sit and think.
18 And, when we do read, many other kinds of
19 publications vie with magazines for our time
20 and attention: newspapers, books, mail-order
21 catalogues, comics, company reports and a
22 bewildering array of printed matter of all
23 sorts.

24 In the postwar struggle for a faithful
25 and growing audience, the periodical industry
26 in country after country has felt the power-
27 ful impact of television, the effects of an
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1 ever-broadening prosperity, and with it a
2 relentlessly-increasing competition for a
3 share of their readers' leisure time.

4
5 In Canada, the nearly-universal
6 acquisition of television sets and the
7 resurgence of local radio have both laid
8 claim to more and more of the public's
9 leisure time. There were no TV stations in
10 Canada until 1952, when two were established.
11 In 1959 there were 61 TV stations serving
12 over 90% of Canadian homes, and these homes
13 spent an average of 5 hours daily viewing their
14 programmes (Source: Bureau of Broadcast
15 Measurement and Broadcast Advertising
16 Bureau). Radio stations have grown from 163
17 in 1948 to over 300 in 1959.

18 Moreover, in the last decade powerful
19 and significant competition for Canadian
20 reader-attention has developed much closer
21 to the "traditional" magazines' own door-
22 steps: the week-end periodicals which are in
23 fact magazines. Six of these -- Weekend
24 Magazine and its French sister-publication
25 Perspectives, Star Weekly Magazine, La Patrie,
26 La Presse, and Le Petit Journal -- now boast
27 combined circulations exceeding those of all
28
29
30



1 the major traditional Canadian magazines put
2 together (Refer to Appendix II-2-a).

3
4 Weekend Magazine, first published in
5 1951, has increased circulation at such a rate
6 that it is now securely established in the
7 dominant position among consumer periodicals
8 in Canada. With Perspectives, started last
9 year, it has almost two million circulation
10 a week.

11 These week-end periodicals, written
12 and edited by Canadians for Canadians, are a
13 dramatic answer to the anxiety that this
14 country's magazine-reading time is being
15 pre-empted by invaders. True, U.S. periodicals
16 are pouring in at an increasing rate --
17 11,300,000 a month in 1959, compared with
18 6,332,000 in 1948 (see Appendix for details)
19 -- and the handful of magazines from France
20 visible on Quebec Province newsstands in 1948
21 had mushroomed to more than 250 titles by last
22 year. Even so, the aggregate sales of these
23 imports are overshadowed by the circulations
24 of Canada's major week-end periodicals alone.
25 And those, combined with Canada's established
26 traditional magazines, give a formidable
27 circulation preponderance to periodicals
28 edited by and for Canadians.
29
30



1
2
3 In the twelve-year period being dis-
4 cussed here, the 1959 circulation of Canada's
5 existing major magazines (excluding Reader's
6 Digest) increased 21% over those existing in
7 1948. Of these, several have shown the
8 following growth: Maclean's 57%; Liberty 82%;
9 Chatelaine 152% (merged with Canadian Home
10 Journal in 1958); Canadian Home Journal had
11 increased 64% by 1957; Canadian Homes 270%;
12 Saturday Night 74%. In the same period, all
13 major week-ends increased their circulation
14 by 78%.

15 In this same period, the English and
16 French editions of Reader's Digest in Canada
17 have increased in circulation by 58%, from
18 628,000 in 1948 to an average of 992,000
19 copies a month in 1959. For 1961, they are
20 promising 1,100,000 copies a month. By the
21 choice of the Canadian people, Reader's Digest
22 in English and French has become a fact of
23 Canadian life, and in many ways, an institu-
24 tion. The reader's choice of the Digest is
25 a voluntary one, made without pressure --
26 and, in fact, in the face of certain
27 deterrents. The Digest is the most expensive
28
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1
2 of the Canadian periodicals of substantial
3 circulation, either at the newsstands or by
4 subscription.

5
6 There are ways of stimulating cir-
7 culation; one is to cut the price, as several
8 magazines in Canada and in the United States
9 have done. Three years ago Reader's Digest
10 increased its cover price from the traditional
11 25 cents to 35 cents; its subscription rate
12 from \$3.00 to \$4.00 a year.

13
14 There are ways to force subscription
15 sales: through door-to-door salesmen who prey
16 on housewives' sympathy or use other pressure
17 devices; through the sale of several
18 magazines at the same time, followed up by
19 professional collectors who call monthly for
20 payment; through the sale of long-term un-
21 cancellable subscriptions; and in many other
22 subtle and effective ways.

23
24 Readers order their Digest subscrip-
25 tions by mail and pay for them by mail. In
26 effect, every subscriber must decide twice that
27 he wants the Digest and is willing to pay the
28 relatively high price for it: first, when
29 he sends his order through the mail; and
30 again, later, when he gets a bill and posts



ANGUS, STONEHOUSE & CO. LTD.
TORONTO, ONTARIO

50

1
2 a cheque or money order.

3
4 Only one conclusion would seem
5 warranted by the evidence available; Canadians
6 buy Reader's Digest in substantial numbers,
7 in both languages, at a high price, because
8 they want it, and are willing to go to the
9 trouble and expense required to get it.

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The Struggle for the Advertising
Dollar

All advertising media compete for a share of the total advertising dollar and the advertiser alone judges:

- the value of each medium.
- the proportionate shares among the media (i.e. T.V., radio, magazines, newspapers, etc.).
- the proportionate shares within each medium (i.e., a single magazine).

In view of the varied media choices offered an advertiser, there is intense competition among all of them - competition increases with each new medium's availability because of two prime factors:

- (a) it creates a further alternative choice,
plus
- (b) the appeal of something new and dramatic.

All periodicals compete first with "other media" (i.e. television, radio, billboards, streetcar cards, etc.), before they compete within their own "printed word" sphere.

ADVERTISING REVENUES - BASIC ADVERTISING MEDIA AVAILABLE TO
CANADIAN ADVERTISERS
(000's omitted)

Media Class	<u>1948</u>		<u>1952</u>		<u>1956</u>		<u>1959</u>	
	Advtg Revenue	% share	Advtg Revenue	% share	Advtg Revenue	% share	Advtg Revenue	% share
Major Daily Newspapers	\$15,737	28.8	\$28,057	31.4	\$43,527	27.1	\$48,985	25.2
Major Business Periodicals	9,682	17.8	12,366	13.9	20,642	12.9	25,300	13.0
All Major Traditional Magazines Published in Canada	6,453	11.8	10,939	12.3	15,618	9.7	16,923	8.7
All Major Week-ends	5,821	10.7	9,284	10.4	16,121	10.0	19,011	9.8
Major Farm Periodicals	3,810	7.0	5,233	5.9	6,228	3.9	6,627	3.4
U.S. Magazines with Canadian Sections	<u>757</u>	<u>1.4</u>	<u>2,005</u>	<u>2.2</u>	<u>3,949</u>	<u>2.5</u>	<u>4,128</u>	<u>2.1</u>
TOTAL	\$42,260	77.5	\$87,994	76.1	\$106,085	66.1	\$120,974	62.2
Radio	12,282	22.5	20,730	23.3	20,785	13.0	25,000	12.9
Television	-	-	500	0.6	33,499	20.9	48,300	24.9
TOTAL	\$12,282	22.5	\$21,230	23.9	\$54,284	33.9	\$73,300	37.8
GRAND TOTAL	<u>\$54,542</u>	<u>100.0</u>	<u>\$89,114</u>	<u>100.0</u>	<u>\$160,369</u>	<u>100.0</u>	<u>\$194,274</u>	<u>100.0</u>

Note: These are gross National Revenues for the only major classifications which are reported (Ref: to "Sources of Data" - Appendix)



Any major advertiser first allots his available advertising dollars by media, and only then divides the funds available within each medium. The significance of this competition from without and its effect on magazines can best be established by a study of the figures in the table on the opposite page.

This tabulation, covering the broad basic advertising media available to the Canadian advertiser, can be divided into two additional main segments:

- (a) the "print" advertising media;
- (b) the "electronic" advertising media.

In this way, the major competitive media forces within this total competitive sphere can be studied. The following tabulation of their individual share of the total available advertising dollars establishes the electronic advertising media as the main competition of all print media.

	1948	1952	1956	1959
Total				
Print	77.5%	76.1%	66.1%	62.2%
Total				
Electronic	22.5%	23.9%	33.9%	37.8%
	100.0%	100.0%	100.0%	100.0%



1 Print media in 1948 represented
2 77.5% and electronic media 22.5%, but within
3 twelve years print media had decreased to
4 62.2% and electronic media had increased to
5 37.8%. This swing in the advertiser's expen-
6 diture resulted in an advertising revenue in-
7 crease during the period of 497% for elec-
8 tronic media and 186% for print media.

9
10 It is evident that television itself,
11 which in 1959 accounted alone for a 24.9% share
12 of the total available advertising dollars,
13 as compared to radio which accounted for
14 12.9%, was the major contributor to the com-
15 petitive might of the electronic media. Radio
16 in 1959 had more than doubled its revenue
17 over 1948, but comparing its revenue increase
18 from the start of television in 1952, it is
19 seen that radio increased its revenue by only
20 20.6%, while television increased by 9,560%
21 (from 1953, the first full year, by 3615% (est.))

22 Major traditional magazines, as a
23 basic media class, faced their competition
24 from television along with other individual
25 print media classifications and did not main-
26 tain, in 1959, the percentage share of the
27 available advertising revenue held in 1948.

28
29
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The more important individual media classifications within the total print media class are, in order of their total advertising revenue volume in 1959:

	<u>\$(000's)</u>	<u>Revenue Increase 1952-1959</u>
Newspapers	48,985	74.6%
Business Periodicals	25,300	105.0%
Major Weekends	19,011	104.8%
Major Traditional Magazines Published in Canada	16,923	54.7%
Farm Periodicals	6,627	26.6%
U.S. Magazines with Canadian Sections	4,128	106.0%

The most significant of the print media (i.e. Newspapers, Business Periodicals, Major Week-ends, and Major Traditional Magazines Published in Canada), with the exception of Business Periodicals compete actively for advertising revenue aimed at the broad consumer market. Business Periodicals have been very successful, but, as they cover a specialized commercial and industrial advertising market, they will not be further reviewed.

Major Week-ends during this 1952 to 1959 period showed the greatest revenue



1 increase of 104.8%, followed by Newspapers
2 with 74.6%, and Major Traditional Magazines
3 with 54.7%. One week-end periodical, Weekend
4 Magazine (which accounted for 35.6% of the
5 total Major Week-end revenue in 1952) now
6 accounts for 55.5% of this revenue. This
7 magazine, through its daily newspaper circula-
8 tion tie-in, has been tremendously successful,
9 both in circulation (1952 - 940,779; 1959 -
10 1,790,072; a 90% increase) and advertising
11 revenue (1952 - \$3,305,143; 1959 - \$10,559,824;
12 a 219% increase).

13
14 Week-ends in every way claim to and
15 do directly compete with traditional magazines
16 for advertising revenue. They consider them-
17 selves to be and, in fact, are magazines.

18 Conclusion:

19 Against the background of competition
20 previously outlined, a comparison of ad-
21 vertising costs per unit (i.e. per page and
22 per line) in the magazine industry could be made,
23 but since unit size variations, edition publishing
24 frequency and audience coverage factors would
25 all have to be considered in establishing the
26 true value of any unit, it has not been
27 attempted in this review. However, the data
28
29
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1 page rate costs covering Traditional
2 Magazines have been included under Appendix
3 II 3-(d).
4

5 The primary competitive force faced
6 by print media in general is from without,
7 and comes from the electronic media sphere
8 -- predominantly from television. Within the
9 field of print media itself, the primary
10 competition of the traditional magazines comes
11 from the comparatively new entry into this
12 field, the week-end magazines, of which the
13 magazine "Weekend" is the outstanding example.

14 Even in the face of these competitive
15 forces, the magazines published in Canada
16 (traditional and week-end types) are in a
17 healthy position in advertising revenue growth
18 reflected by their 78% increase during the last
19 eight years (1952 to 1959). In addition, they
20 are healthier than their counterparts in the
21 United States and Great Britain, where
22 television and week-end magazines also exist
23 as major competitors.
24

25 A separate comparative study --
26 "Magazines in Canada, Great Britain and the
27 United States" -- follows this section.
28
29
30



1 A Comparative Study,
2 The Magazines in Canada, Great
3 Britain and The United States
4

5 The Canadian magazine industry is
6 stronger than the magazine industry in either
7 the United States or Great Britain.
8

9 Problems in the magazine publishing
10 industry are not peculiar only to Canada.
11 All magazines in these three countries face
12 common problems:

- 13 (1) Intense competition for the advertiser's
14 dollar from television.
15
16 (2) Increased competition for the public's
17 leisure time and interest.

18 This study produces evidence of the
19 good health of Canadian magazines and shows
20 that their prime competition for readers
21 and advertisers lies outside the traditional
22 magazine industry.
23

24 A phenomenally successful develop-
25 ment in Canada has been the national weekend
26 periodicals.

27 These have taken over much of the
28
29
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audience, much of the advertising revenue,
and many of the functions and services of
the traditional magazines. These weekend
periodicals call themselves magazines, and
are considered magazines by their advertisers,
by their readers, and by most publishers.

These weekend publications cannot
be ignored in any realistic and valid
appraisal.

ADVERTISING REVENUES IN CANADA

Advert- ising Expen- ditures in	Weekend Magazines	% In- crease	"Traditional Magazines"	% In- crease
1948	\$ 5,821,000		\$ 6,453,000	
1959	19,010,000	227%	16,923,000	162%

Similarly, the impact of television
cannot be ignored in any well reasoned study of
audiences, influence, or advertising revenue.

It was inevitable that the rise of
television would have a profound effect on the
magazine industry in Britain, the United
States, and in Canada. Individual magazines
have to work harder to keep the interest of
regular readers and to increase circulation
by winning new readers. And they also have to



1 justify, with continually improving arguments,
2 the reason why they should continue to receive
3 a substantial portion of the advertising
4 dollars available.

5
6 In the United States, television has
7 been an important factor in advertising since
8 1952. In that year television in the United
9 States received 12% of the dollars advertisers
10 decided it should share with magazines and
11 newspapers. By 1959 television was getting
12 25% of the money available to the three media -
13 over a billion and one-half dollars,
14 \$1,510,000,000.

15
16 Television began wooing advertisers
17 in Great Britain in 1955. But by 1959 it was
18 taking 35% of the total money it shared with
19 magazines and newspapers - £58,400,000.

20 In Canada, television was introduced
21 in 1952. And, by 1959 its portion of the ad-
22 vertising revenue shared with magazines and
23 newspapers was 25% -- \$48,300,000 (These
24 figures do not include talent costs to the ad-
25 vertisers).

26
27 While television was reaching out for
28 an increasing share of advertising revenue in
29
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all three countries from 1955 to 1959, advertising revenues of magazines published in Canada increased by 25%. The increase in the United States was only 19%, while in Great Britain there was an increase of only 6.9%.

Periodical Advertising Revenue in 000's of
Dollars and Pounds

	<u>Canada</u>	<u>United States</u>	<u>Great Britain</u>
1955	\$28,705	\$729,400	£ 27,418
1959	35,933	866,200	29,269
	25% increase	19% increase	6.9% increase

The magazine industry is no different from any other industry - some magazines fail and some flourish. This is a reflection of the public's changing tastes, and of management's "ability to manage".

But - the rate of failure for magazines in Canada is lower than in Britain or in the United States.

Since 1952, the only major changes in traditional magazines in Canada have been the purchase of Canadian Home Journal by Maclean-Hunter Publishing Co. Ltd. in 1958, and the purchase of La Revue Moderne by Maclean-Hunter in 1960 (both being amalgamated with Chatelaine) plus the announcement by Maclean-Hunter of a



1 new French magazine, Le Magazine Maclean's
2 for 1961.

3
4 By comparison, there have been seven
5 major magazine failures in Great Britain and
6 over forty in the United States.

7 Magazine Failures in Britain Since 1952

8

9 <u>Magazine</u>	<u>Circulation</u>	<u>Date of Last Issue</u>
10 London Opinion	170,000	1952
11 Picture Post	739,000	1957
12 Mid-Week Reveille	1,465,000	1957
13 Illustrated	511,000	1958
14 Lilliput	81,000	1960
15 Everybody's	392,000	1959
16 Picturegoer	273,000	1960

17 Magazine Failures in the United States
18 Since 1952

19

20 <u>Magazine</u>	<u>Established</u>	<u>Discontinued</u>
21 Aero Magazine	1922	1957
American Family	1942	1954
American Boy, Open Road	1952 (Merged)	1954
22 American Magazine	1876	1956
Better Farming (formerly 23 Country Gentleman)	1831	1955
Better Health	-	1954
24 Better Living	1951	1956
Bride-to-Be	1955	1956
25 Blue Book	1929	1956
Capper's Farmer	1899	1960
26 Cars	1952	1954
Cavalier	1952	1954

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<u>Magazine</u>	<u>Established</u>	<u>Discontinued</u>
Charm	1915	1959
Colliers's	1888	1957
Deb	-	1956
Etude	1883	1957
Everybody's Digest	1943	1954
Everywoman's	1951	1958
Family Life	1953	1953
Family Shopper	1952	1953
Here	1951	1952
Hunting & Fishing	1898	1954
Life Story	-	1954
Lifetime Living	1952	1955
Magazine of Art	-	1953
Modern Industry	-	1953
Nature Magazine	1923	1960
Omnibook	1938	1957
Park East	1949	1953
Progressive Education	1924	1957
Quick (Cowles Magazine)	1949	1952
Quick (Triangle Publication)	1952	1954
TV Program Week	1955	1955
Television Life	1953	1954
Today's Family	1953	1953
Today's Woman	1939	1954
True Life Stories	-	1954
Town Journal	1953	1957
Twenty-One	1951	1952
U.S.A. The Magazine of American Affairs	1952	1953
Woman, The	1948	1954
Woman's Home Companion	1873	1957
Real Detective)		
Real Adventure)	-	1958
People Today	-	1958

A thought-provoking comment on this situation was made on May 6, 1957 by Norman H. Strouse, President of J. Walter Thompson Company, one of the world's leading advertising agencies, to a meeting of the Magazine Publishers' Association at White Sulphur Springs, Virginia:

"I was surprised that the disappear-



1 " ance of several famous old magazine
2 names caused such shock and so much
3 speculation and rumor concerning
4 the good health of magazines
5 generally. Dozens of fine old con-
6 sumer product names have disappeared
7 also, but without giving rise to the
8 question whether a particular in-
9 dustry was on its last legs. We
10 merely see in the magazine field what
11 we see in every mature industry - a
12 shaking out of the weak and a sur-
13 vival of that which has earned the
14 right to exist through giving the
15 consumer the highest value at a
16 reasonable cost. "

17
18 This is but another way of saying that
19 periodicals rise and fall through their
20 editorial appeal and the calibre of their
21 management. The reaction of people to a
22 publication, their loyalty to it because of the
23 enjoyment or satisfaction it gives them - this
24 alone wins for it substantial circulation and
25 consequent advertising support. Even if there
26 were but one magazine left in Canada, it would
27 thrive only on the basis of sound editorial
28 interest for its readers and an alert sales
29
30



presentation to its potential advertisers.

The magazines which Canadians want to read show a steady record of healthy growth. Circulation increases of leading Canadian magazines have been impressively larger than those in the United States or in Britain.

Comparing six leading magazines in each country, we find that the Canadian magazine enjoyed a circulation increase of 66.8% through 1952 to 1959 - almost twice the increase of 38.4% for the magazines in the United States. The circulation of the British magazine increased only 15.4% during the period.

Here are the circulation statistics:

Comparative Circulation Growth of Six
Leading Magazines

(000's of Copies)

<u>Canada</u>	<u>1952</u>	<u>1959</u>	<u>% Change</u>
Maclean's	423.9	512.4	+ 20.9
Chatelaine	380.1	752.1	+ 98.0
Canadian Homes	77.4	128.4	+ 65.9
Liberty	411.7	585.8	+ 42.3
La Revue Populaire	88.0	104.3	+ 18.5
Weekend Magazine	940.7	1,790.0	+ 90.0
	2,321.8	3,873.0	+ 66.8



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<u>United States</u>		<u>1952</u>	<u>1959</u>	<u>% Change</u>
Life		5,311.7	6,448.2	+ 21.4
Saturday Evening Post		4,216.0	6,227.0	+ 47.7
Time		1,713.1	2,397.5	+ 40.0
Better Homes & Gardens		3,625.3	4,874.0	+ 34.4
Look		3,260.8	5,881.8	+ 80.4
Ladies' Home Journal		4,869.1	5,986.7	+ 23.0
5		<u>22,996.0</u>	<u>31,815.2</u>	<u>+ 38.4</u>
<u>Great Britain</u>				
Radio Times		7,642.0	7,215.0	- 5.6
T.V. Times		not started	3,581.0	-
Women		2,371.0	3,189.0	+ 34.5
Woman's Own		2,000.0	2,404.0	+ 20.2
Women's Weekly		1,800.0	1,510.0	- 16.1
10 Weekend		<u>1,556.0</u>	<u>989.0</u>	<u>- 36.4</u>
		<u>16,369.0</u>	<u>18,888.0</u>	<u>+ 15.4</u>

Similarly, the advertising revenue increase for leading Canadian magazines is impressive by comparison with United States and British publications.

The increase in Canada was 142% against a 42% increase in the United States.

Comparative Advertising Revenues of Six
Leading Magazines
(000's of Dollars)

<u>Magazine</u>	<u>1952</u>	<u>1959</u>	<u>% Change</u>
<u>Canada</u>			
Maclean's	2,510.0	4,496.9	+ 79
Chatelaine	1,533.0	4,375.8	+ 185
25 Canadian Homes	544.7	731.0	+ 34
Liberty	882.4	1,383.6	+ 57
La Revue Populaire	235.3	273.3	+ 16
Weekend Magazine	<u>3,305.1</u>	<u>10,559.8</u>	<u>+ 219</u>
	<u>9,010.5</u>	<u>21,820.4</u>	<u>+ 142%</u>



United States

Life	96,897.7	134,232.8	+ 39
Saturday Evening Post	75,331.6	96,089.5	+ 28
Time	32,664.2	46,123.3	+ 41
Better Homes & Gardens	21,981.6	25,526.8	+ 16
Look	20,910.9	46,688.0	+123
Ladies' Home Journal	19,196.8	30,799.0	+ 60
	<u>266,982.8</u>	<u>379,462.4</u>	<u>+42.1%</u>

In Great Britain, comparative revenue figures for individual magazines are not available.

But the British magazines' share of all advertising revenue declined from 34% in 1952 to 18% in 1959.

National Advertising Revenues in Great Britain

	<u>1952</u>	<u>1959</u>
Total of all National Advertising Revenue	100% (44,254)	100% (£ 169.1 million)
Advertising Revenue for National and Provincial Newspapers	66% (29,147)	47% (£ 77.4 million)
Advertising Revenue for Television	Nil	35% (£ 58.4 million)
Advertising Revenue for all Magazines	34% (15,107)	18% (£ 29.3 million)

Conclusions:

Advertising revenue is available for various media as they prove their worth to advertisers. For Canadian magazines the preime competition for audience and ad-



1 vertising dollars now lies outside the
2 traditional magazine field.

3
4 But compared with magazines in Britain
5 and the United States, Canadian magazines
6 enjoy a favorable position.

7
8 The continued success of individual
9 periodicals (in Canada as elsewhere) will
10 depend on their realism. They will earn cir-
11 culation growth and advertising support to
12 the degree that they provide editorial material
13 of interest to their audience, and effective
14 promotional efforts to their advertisers.



1 Restrictions On Periodicals In
2 Other Countries

3 The Reader's Digest publishes 29
4 editions in 13 languages which circulate at
5 the rate of some 21 million copies a month in
6 more than 100 countries.

7
8 Just before submitting this brief, the
9 Digest asked its managing directors throughout
10 the world to cable up-to-date reports on any
11 restrictive practices imposed on periodicals
12 in any of the countries where they operate.

13 Here is a summary of those reports:

14
15 1. In no country where the Digest
16 publishes an edition or editions is it subjected
17 to burdens or restrictions, direct or indirect,
18 based on editorial content. Indeed, no country
19 makes distinctions or differentiations of any
20 sort, so far as the Digest managers could
21 determine, as between those periodicals that
22 are published and circulated in that country.

23 2. Three countries in which the Digest
24 has editions enforce measures designed to keep
25 control of periodical-publishing in national
26 hands:

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1 (a) Brazil, where periodical houses must be
2 wholly owned by nationals, and where the
3 Digest's Portugese-language edition is
4 published through a Brazilian-owned
5 corporation.

6
7 (b) Mexico, where a majority of the shares
8 in periodical houses must be held by
9 nationals, and where Mexicans own 51
10 percent, The Reader's Digest 49 percent
11 of the company that publishes its
12 Spanish-language edition there.

13 (c) Cuba, where the Castro regime has waged
14 a campaign of "intervention" that has
15 made it impossible for the Digest to
16 continue normal operations; consequently,
17 the business-management headquarters of
18 the Digest's Spanish-language editions
19 were recently moved to Mexico from
20 Havana, where they had resided since
21 the beginning of the Latin-American
22 editions in 1940.

23
24 3. Three countries impose duties or dis-
25 criminatory postal rates on periodicals im-
26 ported from abroad:

27 (a) Eire levies duties of 2-1/2 pence to 3
28 pence per copy on imported magazines.
29
30



1 (b) Spain lays on duties of 25% of copy
2 price on any imported Spanish-language
3 periodicals other than Latin-American
4 publications. English publications are
5 duty free.

6
7 (c) Switzerland gives preferential postal
8 rates to domestic periodicals, charging
9 on the order of thrice their mail-rate
10 to those shipped in.

11 4. Several countries exercise control over
12 the editorial contents of periodicals:

13 (a) Spain censors domestic and imported
14 periodicals alike, to prevent the
15 circulation of reading matter contrary
16 to the policies of the Franco regime or
17 to the strict moral precepts of the
18 Roman Catholic Church.

19
20 (b) Eire also censors both domestic and
21 imported publications to suppress
22 material contrary to Catholic moral
23 principles.

24 (c) India and several other Eastern countries
25 use licensing devices to prevent the im-
26 port of what they consider trash: sex
27 magazines, comics, etc.
28
29
30



CONCLUSION

While the primary purpose of the studies of the Commission may be said to be cultural rather than legal, there cannot be ignored certain basic legal principles which are of assistance in defining the ambit of the inquiry.

The Commission having been named by, and being called upon to report to, the Governor in Council, it is presumed that its recommendations are contemplated as being within the area of matters falling within the jurisdiction of Parliament.

Canada, being a federal state, has a division of jurisdictions as between the federal and provincial governments. The jealously guarded powers of each have resulted in a long series of cases in the last century, out of which emerge clearly the decisions of our highest Courts to the effect that the federal government has no power to regulate any particular industry.

Thus, it was found that the federal government had no power to license or otherwise regulate Canadian insurance companies.



1 A like result was found when the federal
2 government attempted to regulate the dairy
3 industry by prohibiting the importation,
4 manufacture or sale of margarine. As one of
5 the judges of the Supreme Court of Canada re-
6 marked, the question of prohibition or tax-
7 ation is but a question of degree.

8
9 There is presently pending before the
10 Courts litigation concerning the right of the
11 federal government to regulate the publishing
12 industry by the imposition of a tax on one
13 sector of that industry. Pending the out-
14 come of that litigation, it is presumed that
15 the Commission will not enter into a dis-
16 cussion of the questions under consideration
17 by the Courts.

18 On the other hand, there are certain
19 specific industries which by reason of the
20 provisions of the British North America Act,
21 as defined by the decisions of our highest
22 Courts, are found to be solely within the
23 area of federal jurisdiction. Among such
24 industries are the banking industry and the
25 radio and television industry. It is no
26 doubt because the radio and television in-
27 dustry has been found to be subject to federal
28
29
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1 jurisdiction that the federal government was
2 impelled to enact legislation and to delegate
3 to Commissions powers to license and regulate
4 the radio and television industries and to
5 provide regulations which affect the content
6 of the programmes offered to the public by
7 these industries.

8
9 Within the federal area, there must be
10 borne in mind the provisions of the recently
11 enacted Bill of Rights. In the first section
12 of this Bill it is declared that there has
13 existed and shall continue to exist in Canada,
14 as a human right and fundamental freedom,
15 the right of freedom of the press without dis-
16 crimination by reason of national origin. It
17 is no doubt in the context of this declaration
18 of the Bill of Rights that we find in the Order
19 in Council appointing this Commission the
20 stipulation that its recommendations are to be
21 consistent with the maintenance of the freedom
22 of the press.

23 While in one sense the legal principles
24 to be borne in mind may appear to circumscribe
25 the studies of the Commission, in another
26 sense they serve to simplify the task of the
27 Commission by defining the areas to be
28
29
30



1 investigated and the recommendations to be
2 made.

3
4 Until there has been an opportunity to
5 examine the various submissions made to the
6 Commission, any comment concerning proposed
7 recommendations would not appear to be
8 advisable.

9 RESPECTFULLY SUBMITTED.

10 The Reader's Digest Association (Canada) Ltd.
11 Selection du Reader's Digest (Canada) Ltee.
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ANGUS, STONEHOUSE & CO. LTD.
TORONTO, ONTARIO

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8 ROYAL COMMISSION ON PUBLICATIONS

9
10 APPENDICES

11 to

12 SUBMISSION

13 of

14 The Reader's Digest Association (Canada) Ltd.

15 Selection du Reader's Digest (Canada) Ltee.
16
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24 Montreal, P.Q.
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CIRCULATION	DATE OF FIRST ISSUE	LANGUAGE	EDITIONS PUBLISHED	NATURE OF MEMBERSHIP (1)	CIRCULATION	
					Average First Year	Current Issue July 1960
1	Feb. 1939	English	(1) The Reader's Digest (British Edition)	21	110,000	1,165,000
2	Feb. 1943	English	(2) " (South African Edition)	22	70,000	115,000
3	Jan. 1951	English	(3) " (Indian ")	23	16,000	72,000
4	Dec. 1949	Spanish	(1) Selecciones del Reader's Digest (Argentine Ed.)	24	320,000	320,000
5		"	(2) " (Mexican ")	25	350,000	350,000
6		"	(3) " (Caribbean ")	26	140,000	140,000
7		"	(4) " (Hemisphere ")	27	260,000	260,000
8	Feb. 1942	Portuguese	Selecoes do Reader's Digest (Brazilian Edition)	28	195,000	1,260,000
9	Mar. 1943	Swedish	Det Basta ur Reader's Digest (Swedish Edition)	29	150,000	435,000
10	June 1945	Finnish	"Valitut Palat Koomut Reader's Digest (Finnish Ed.)	30	78,000	280,000
11	Mar. 1946	Danish	Det Bedste fra Reader's Digest (Danish Ed.)	31	165,000	165,000
12	June 1946	Japanese	The Reader's Digest in Japanese	32	135,000	385,000
13	July 1946	English	(1) The Reader's Digest (Australian Ed.)	33	100,000	410,000
14	Dec. 1950	English	(2) " (New Zealand Ed.)	34	62,000	75,000
15	Mar. 1947	Norwegian	Det Beste fra Reader's Digest (Norwegian Ed.)	35	125,000	160,000
16	Mar. 1947	French	(1) Selection du Reader's Digest (French Edition)	36	435,000	1,020,000
17	"	French	(2) " (Belgian ")	37	89,000	90,000
18	"	French	(3) " (French Swiss Ed.)	38	35,000	30,000
19	July 1947	French	(1) Selection du Reader's Digest (Can. French Ed.)	39	100,000	120,000
20	Feb. 1948	English	(2) The Reader's Digest (Can-English Edition)	40	595,000	860,000
21	Sept. 1948	German	(1) Das Beste aus Reader's Digest (German Ed.)	41	265,000	275,000
22	"	German	(2) Das Beste " (Germ.-Swiss Ed.)	42	75,000	70,000
23	Oct. 1948	Italian	Selezione dal Reader's Digest (Italian Ed.)	43	320,000	575,000
24	Oct. 1952	Spanish	Selecciones del Reader's Digest (Iberian Ed.)	44	75,000	150,000
25	Nov. 1952	German	Das Beste aus Reader's Digest (Austrian Ed.)	45	50,000	70,000
26	Jan. 1956	Arabic	Al-Mukhtar (Arabic Edition)	46	45,000	20,000
27	Oct. 1957	Dutch	Het Beste uit Reader's Digest (Dutch Edition)	47	125,000	180,000

(1) FOA Inc. owns controlling shares in all affiliates.



STORIES PICKED FROM CANADIAN MAGAZINES

In 1959 The Reader's Digest picked up the following 17 articles from Canadian Magazines:

- January: The Pealing of Bells, Atlantic Advocate.
- February: Hard Reading Made Easy, Mayfair.
- March: Eavesdropping Behind the Iron Curtain, Atlantic Advocate.
- April: Bearer is Hemophiliac, Liberty.
Oh, Mother, Chatelaine.
- May: Coffee, This Instant Upstart, Mayfair.
Bottle Overboard, Atlantic Advocate.
- June: Sing a Song of Stereo, Saturday Night.
- July: Antwerp's Glitter Street: World Diamond Centre, Mayfair.
- August: Britain's Bobbies Feel Safer Unarmed, Mayfair.
Geneva, Home of the Conferences, Mayfair.
- September: Dogs that Keep the Peace, Dogs in Canada.



October: The Case of the Seasick Stoker,
Maclean's.

What You Should Know About Your
Hair, Liberty.

November: A Pill to Combat Skin Diseases,
Atlantic Advocate.

December: They Make 92 Kinds of Money,
Financial Times. When You Have a
Fever, Atlantic Advocate.

In 1960, the Digest picked up these 13 articles from Canadian magazines:

January: Those Wonderful Windbags, Our
 Lungs, Liberty.

February: Big Ben, The Voice of Britain,
Atlantic Advocate.
How to Keep Your House Warm in
Winter, Free Press Weekly Prairie
Farmer.
Liveliest Show in Dogdom, Dogs in
Canada.

March: I'm a Cat Convert, The Elizabethan.

May: German Youth Rejects The Swastika,
Saturday Night.



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4

- 1 June: The Cafe Where the World Meets,
2 Le Samedi.
3
4 July: Too Tired to Love, excerpt from the
5 book "Women and Fatigue", by Dr.
6 Marion Hilliard. Originally carried
7 in Chatelaine.
8 Farm Horse That Became a Champion,
9 Farmer's Advocate.
10
11 August: Biggest and Most Beautiful Olympics,
12 Winnipeg Free Press.
13 How to Beat the Bugs, Atlantic
14 Advocate.
15
16 September: Bottleneck on the Seaway, Western
17 Business.
18
19 November: Last Chance for Africa's Wild
20 Animals, Rod and Gun.

21 Most of the articles listed above were
22 originally brought to the attention of the magazines
23 concerned by the Digest. Used at full length in those
24 magazines, they were subsequently reprinted by the
25 Digest in condensed form. The Canadian company has
26 found that a substantial number of Canadian magazines
27 - especially the smaller ones are interested in publish-
28 ing these articles. The editors say they are thus
29 able to buy - at their own rates - stories their
30



1 own facilities could otherwise hardly command.
2 Thanks to Digest help, they may enjoy the services
3 of topnotch writers who have put into their articles
4 time and research that the smaller magazines could not
5 afford alone to pay for. A by-product has been a
6 worldwide publicity that has brought many of these
7 magazines recognition and correspondence from distant
8 lands. The process reflects the Digest's interest in
9 helping to maintain a healthy magazine industry.



CANADIAN ENDORSEMENTS

Many tributes have been paid to The Reader's Digest by Canadians. Dr. Heinz Unger, musical director of the New York Concert Society in Toronto, has praised the Digest for "its eternal frontier spirit, the mentality of the explorer which governs this publication". Willson Woodside, national director of the United Nations Association in Canada, has praised its contributions to international understanding and to the concept of the oneness of mankind. Edwin H. Walker, president of General Motors of Canada, says the millions of Digest readers "provide the strongest possible proof that quality brings its own rewards." The Rev. A.C. Forrest, editor of the United Church Observer, after a trip to Africa, wrote that "the same qualities that make the Digest the favored reading of millions give it special value to missionaries." Dr. J.D. Griffin, general director of the Canadian Mental Health Association, says, "The Reader's Digest has been a leader for many years in helping to bring the truth about mental illness to the public...Such encouraging and informative material, read by millions of Canadians, has often stimulated public action on behalf of mental health services." V. Lorne Stewart, senior Judge of the Metropolitan Toronto Juvenile and Family Court and an expert on juvenile delinquency, has said: "I have come to cherish all the forces that foster a healthy atmosphere for our children. High on the list of such forces is Reader's Digest".



1 A.C. Ashforth, president of the Toronto-
2 Dominion Bank, says, "The outstanding characteris-
3 tic of the Digest is its concern for the individual
4 human being." Rhys M. Sale, president of the Ford
5 Motor Company and of the Canadian General Council
6 of the Boy Scouts Association, has stated that "many
7 scouters and other youth leaders look upon Reader's
8 Digest as a vital force in parent education and at the
9 same time a source of wholesome, entertaining and
10 informative reading for young people."
11

12 Through the mail comes a constant flow of
13 respect and affection from Canadians in all walks
14 and ages of life. G. Arnold Hart, president of the
15 Bank of Montreal, wrote recently: "I have been a
16 subscriber to the Digest for many years and look
17 forward to the enjoyment of reading the excellent
18 selection of articles which appear in each issue."
19 A 12-year old boy named Brian MacGregor wrote,
20 "I used to be a TV hound, but now I go for Reader's
21 Digest in a big way... Thank you, Mr. Editor,
22 for opening up a new world to me." Mrs. Halcyon
23 Carson of Victoria, widow of a beloved public
24 figure in British Columbia, recalled as the highlight
25 of her former life on a ranch in the Cariboo country
26 the day each month when she rode six miles to the
27 mailbox to get her Reader's Digest.
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1
2 Mrs. D.J. Grant of Fruitvale, B.C., took
3 time off from her crowded day as a housewife to
4 write: "My husband and I have always enjoyed reading
5 The Reader's Digest. Being a mother of five small
6 children, it has helped me keep abreast of world
7 happenings I would otherwise have missed. But the
8 time I enjoyed it most was when the five children
9 came down with bronchitis while I was alone. I dared
10 not sleep at night. The Digest not only passed the
11 long hours away pleasantly but kept me wide awake
12 when the children needed me. I wish to thank you for
13 the very interesting articles that kept me from the
14 one thing I dreaded most, feeling sorry for myself."

15
16 Probably no other magazine published in
17 Canada is so often quoted in Canada's daily and
18 weekly newspapers as the Digest. There and in
19 their company magazines, Canadians find a steady
20 drumbeat of excerpts, jokes, anecdotes and obser-
21 vations picked up from this magazine. Editorials
22 often comment on what the Digest has to say. After-
23 dinner speakers feed upon its columns. Thousands
24 of Canadians annually value its articles enough to
25 want to order reprints of them. In one case alone,
26 that of the 28-page detachable First Aid Handbook
27 published in September, orders for 20,756 reprints
28 have reached the Montreal office.
29
30



1 THE CANADIAN COMPANY'S CONTRIBUTION TO
2 THE CANADIAN ECONOMY
3

4 The policy of The Reader's Digest, since its
5 establishment as a full-fledged publishing enterprise
6 in Canada, has been to be Canadian and to buy Cana-
7 dian in every way feasible. When it set up business
8 in Canada thirteen years ago, it did so in the know-
9 ledge that this would be a more costly method of
10 operation for the foreseeable future.

11 The company believes as a publisher whose
12 produce enjoys the widespread support of Canadian
13 readers, as the Digest does, owes it to this country
14 to find within its boundaries everything possible to
15 service their demands. This is the policy followed
16 by the Digest around the world - the policy that
17 brought it into this country. The addition of 500,000
18 Canadians to its list of buyers since 1948 has re-
19 inforced its intention to continue to operate in that
20 way.

21
22 In general terms there has already been dis-
23 cussion of what this policy has meant to the country
24 and to the company itself. Here are further details;

25 The Digest staff has multiplied 14-fold in
26 12-13 years, from 30 to more than 430 today, and
27 continues to grow steadily. It was paid remuneration
28 of \$1,504,000 in 1959.
29
30



The Digest corporate presence in Canada in 1959 meant payments in excess of \$8,500,000 for these salaries and for Canadian goods, services and taxes; and it is estimated that these outlays will exceed \$9,000,000 for 1960.

Of every dollar of magazine revenue that came in during 1959 from residents of Canada, 84.5 cents remained in Canada.

Here is a summary of expenditures for 1959:

Payments to subscription agents in practically every community - \$204,000

Payments to news distributors from coast	
to coast in Canada	- \$251,000

Commissions to advertising agencies in
various Canadian cities - \$668,000

Payments to newspapers and other periodicals across Canada for advertising - \$137,00

Payments to Canadian paper manufacturers,
to Canadian printing and allied establishments
totalling 50 in number, in 1959 amounted to
- \$3,225.000

Payments to the Federal, Provincial and
Municipal Governments for taxes (excluding
sales taxes) and to the Federal Government
for postage amounted in 1959 to

- \$1,878,000



1	Payments detailed herein	\$6,363,000
2		
3	Salaries and wages	- \$1,504,000
4	Payments for rent, telephone	
5	and telegraph, pension and	
6	insurance plans, travelling	
7	expenses, research studies,	
8	mailing house services and	
9	sundry other purposes -	
10	not detailed	- \$ 720,000
11		\$8,587,000
12		<u> </u>

13 The Digest has tried to arrive at some mea-
14 surement of what its presence here has meant in
15 terms of employment by firms which supply the
16 goods and services it needs. Four of the major
17 suppliers -- to whom it paid \$2,250,000 in 1959 --
18 report that they employed the equivalent of a total
19 of 264 people entirely on work for the Digest. The
20 Digest payments to them were 37 percent of its
21 total payment to Canadian firms. Using this as a
22 yardstick, it is estimated that Digest activities here
23 generated employment for some 700 Canadians in
24 other firms, which, added to its own staff, adds up
25 to more than 1,100 jobs.

26 In pursuing this policy of having other firms
27 do many tasks for the Canadian company, it has
28
29
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1 more than once been found advisable to purchase
2 capital equipment to allow them to produce the
3 quality and the volume required.

4
5 In 1948 the Digest purchased a five-color
6 Goss Rotary Press on which to print its two editions.
7 This press was installed in Ronalds' Montreal print-
8 int plant to be operated under contract with the com-
9 pany and this arrangement still exists. To accommo-
10 date a press of this size, an extension to the printing
11 plant had to be built.

12 In 1949 the Digest purchased a Sheridan
13 magazine wrapping and mailing machine to facilitate
14 the mailing of its magazine and this equipment is
15 located with the press.

16
17 As a press of this type requires special
18 plates, the Digest purchased and installed in the
19 plant of a Montreal electrotyping company special
20 Centrifugal Casting equipment for making curved
21 plates. This equipment is operated under a con-
22 tract between the Digest and the electrotyper.

23 The investment in this printing and pro-
24 duction equipment was over \$750,000.

25
26 Canadian Digest investment in office fur-
27 niture, office equipment and subscriber service
28 equipment has been in excess of \$450,000. With
29
30



1 the move of its Toronto office in November of
2 this year to new and larger quarters, followed by
3 the impending Montreal office transfer, further
4 substantial expenditures will be required for
5 furnishings and fixtures.

6
7 In 1959 the Digest purchased land in West-
8 mount on which the new office building is being
9 erected. The company investment in this land is
10 over \$300,000. The rental commitment which the
11 Digest has entered into for these new premises
12 extends over a period of 25 years commencing in
13 1961.

14 The Digest's presence in Canada as a
15 publisher has been of significant technological
16 help to various segments of the printing and allied
17 industries, quite apart from what it has meant to
18 them in dollars and cents. The Digest has worked
19 with them to create new techniques which, in turn,
20 have helped them develop new business elsewhere.
21 Digest technicians have helped improve their
22 manufacturing methods and to raise their produc-
23 tion quality.

24 Examples of this technological assistance
25 are listed below.
26
27
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1 1. Paper Supplier - Provincial Paper
2 Company.

3 During the past 12-year period the Digest
4 has co-operated with Provincial Paper to consis-
5 tently improve their paper quality. The Digest's
6 production technicians throughout the world com-
7 municate paper-making improvements to each other,
8 and these are passed on to the company's individual
9 suppliers such as Provincial. In addition, samples
10 of foreign paper are imported by the Digest to be run
11 side by side with Canadian paper to provide "in pro-
12 duction" test samples for Provincial Paper.

13
14 The improved Provincial Paper Company
15 quality which has resulted from this continuous
16 Digest technological assistance has enabled Provincial
17 to meet competitive quality in the domestic market as
18 well as in some foreign markets, thus reducing im-
19 ports to Canada and increasing exports from Canada
20 (particularly to the U.S.A.).

21 The Digest's own annual purchases of
22 Canadian-made paper from the Provincial Paper
23 Company have doubled during the past twelve-year
24 period.

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2. Printers -- Ronalds-Federated Ltd.,
Montreal.

At the time the Digest 5-5 Goss press was installed in the Ronalds plant, it was considered to be the most modern available. In fact, five similar presses were purchased at the same time for the U.S. edition.

There was a great shortage of experience in the use of this type of press in Canada and it became necessary to spend a considerable amount of time and money to train a 24-man press group. Some of this training was given in the United States. It produced a body of men trained in handling the latest equipment available.

3. Ink Suppliers -- Sinclair and Valentine Co.
of Canada Ltd.

The printing of the Digest requires vast quantities of ink -- some 62 tons in a year. This, too, is a field in which there have been steady improvements over the years and the Digest has played its part in this improvement of ink quality, particularly since its Goss press required a special type. The Digest has worked hand in hand with its ink manufacturer to develop new formulas.



4. Engravings -- Meco Ltd.

When the Digest first started up its new press in 1948, Canadian engraving companies were not making engravings for four-color wet printing. The Digest needed this sort of engraving. The Canadian company wanted to get it in Canada if at all possible. Consequently, it devoted a good deal of time, money and technical help to get engravers in Montreal operating in this line of business. And over the past 12 years the quality of these Canadian-made four-color engravings has improved to the point where many American companies now are having them made in Canada.

The Digest purchased a revolutionary centrifugal curved plate-making machine, installed it in the Meco electrotyping plant and gave considerable assistance in helping this Canadian firm manufacture first-class curved press plates. This electrotyper has now been making curved plates for the Digest for 10 years, and is, in fact, also using this equipment to manufacture curved press plates for other firms.



1
2 There are other illustrations. For instance,
3 in working with Canadian box manufacturers the
4 Digest has created unique types of cartons and pack-
5 ages which have added considerably to the revenue
6 of the firms concerned. And over the past five years,
7 once again in seeking improvements for its own pro-
8 duct through collaboration with supplying firms, it
9 has spent considerable sums of money experimenting
10 with its binder and with glue manufacturers to develop
11 improved techniques.

12
13 The Digest's presence here, in brief, has
14 made itself felt in a wide range of technical activities.
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At the corner of St. Catherine and Redfern...

Dear Westmount citizen: Within the next year we shall be neighbours, and, since we'd like very much to be good neighbours, we thought you might like to know a bit about what is going to happen at the corner of St. Catherine Street and Redfern Avenue.

For some years the Reader's Digest has rented space here in Montreal, but the growth of our English and French Canadian editions and of a staff now numbering over 400 has been such that we have to have a business location we can call our own. This project, now well underway, will thus be the first full-fledged home of the Digest in Canada.

There is no need to tell you why we chose the Westmount area. But we would like to tell you a bit about how we hope to contribute to your community, because it is our aim both to be a good corporate citizen of Westmount and to add to its attractions.

Our new building will, we think, be a handsome one, in black and white with outside trim of glass, brick and marble. In keeping with the quality of the neighbourhood itself, we have designed it as an institutional rather than a commercial building. There will be no heavy equipment in it; our printing presses will continue to be located on Park Avenue, in Montreal.

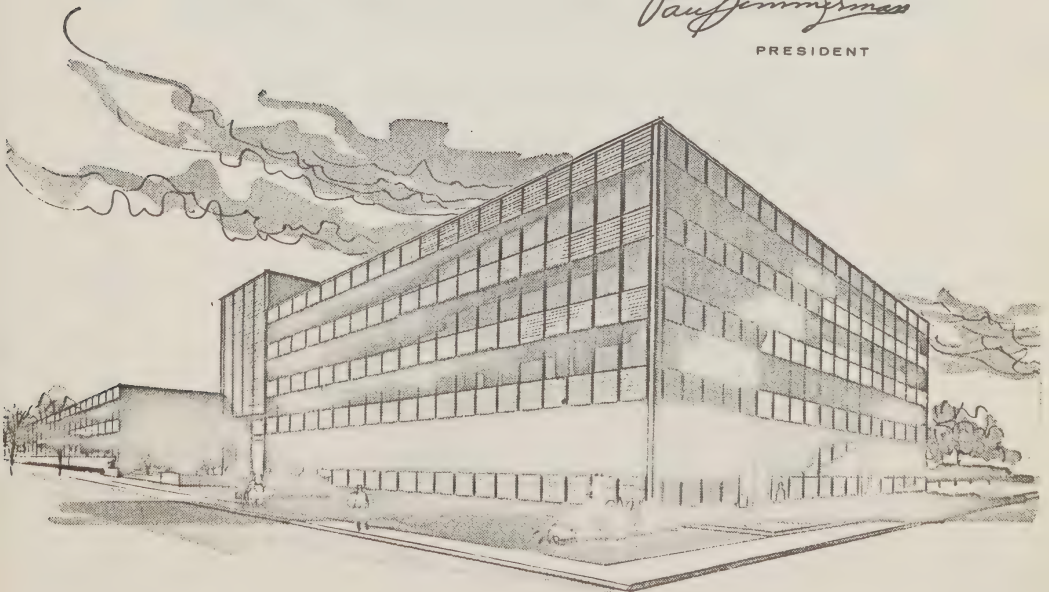
Facing St. Catherine Street, our building will be four storeys high; the rear section will be two storeys high. Forty per cent of the grounds will be available for landscaping, and it is our intention to do this tastefully. The heating system of our new building will be smokeless. Our cars will not clutter the streets; there will be ample parking space provided within the building.

In it we will do the many things that let us serve over 1,000,000 Canadians who purchase our two magazines each month, from editing to fulfilling subscriptions.

During the course of construction there will, of course, be a certain amount of noise. We will try, however, to make as little as possible. We ask you to bear with us!

We expect to occupy our new home during the second quarter of 1961, and we hope to have the pleasure of a visit from you at that time.

Paul Zimmerman
PRESIDENT



READER'S DIGEST ASSOCIATION (CANADA) LIMITE



SOURCES OF DATA

(Covering Sections 2(a), (b) and (c).)

Circulation

All Consumer Publications (except Weekend)

Audit Bureau of Circulations Publishers'
Statements.

Business Periodicals - Canadian Advertising.

Weekend Magazine - Publisher's Own Statements.

Radio Stations - Telecommunication Division,
Department of Transport.

T.V. Stations - Canadian Broadcasting Corporation
Annual Reports.

U.S. Published Magazines - Audit Bureau of Cir-
culations Publishers' Statements.

National Advertising Revenues and Advertising Pages

NOTE: Gross national advertising revenues
for reporting measured media only
are used.

Total national advertising expenditures
in all media would be approximately
\$300 million in 1959.



1 But information on national expen-
2 ditures in outdoor advertising, in
3 weekly, tri-weekly, and bi-weekly
4 newspapers, in direct mail, in
5 co-op advertising, and in such
6 classifications as juvenile,
7 fraternal and religious publi-
8 cations is either non-existent,
9 incomplete or inconclusive as
10 between local and national sources
11 of advertising revenue. Even
12 Agency Billings Reports (from
13 D.B.S.) are incomplete as to
14 individual classifications and
15 do not account for national
16 advertising placed direct.

17
18 Major Traditional Magazines Published in Canada -
19 Magazine Advertising Bureau Summaries.

20 Major Week-end Magazines - Elliott-Haynes Week-end
21 National Advertising Revenue Reports.

22
23 U.S. Magazines with Canadian Sections:

24 Time Magazine - Magazine Advertising Bureau
25 Summaries.

26 Argosy, Every Woman's, Family Circle, True,
27 and Woman's Day - Submitted by Publishers.
28 (1959 Pages, Magazine Advertising Bureau
29 Summaries).
30



Daily Newspapers - 86 Major Dailies Reporting

National Revenues through Elliott-Haynes

Elliott-Haynes Daily Newspaper National

Revenue Reports.

Farm Periodicals - Elliott-Haynes Farm Publications

National Revenue Reports.

Business Periodicals - Dominion Bureau of

Statistics Printing Trade Reports.

Radio - Dominion Bureau of Statistics Advertising

Agency Billings.

T.V. -

1959 - Estimate by Canadian Association of
Broadcasters.

1956 - Dominion Bureau of Statistics Advertising
Agency Billings.

1952 - Estimated from C.B.C. Annual Reports
(4-Month Period).

ALL MAJOR PUBLICATIONS, RADIO, AND TV (REPORTING) - 1943 - 1959

MEDIA	Average Circulation per Issue		Gross National Advertising Revenue		Number of Advertising Pages		NOTES	
	1959	1948	Change	%	1959	1948	Change	%
Major Traditional Magazines Published in Canada (Excluding Reader's Digest)	2,349,763	1,943,316	+ 20.8%		\$ 12,306,771	\$ 5,765,640	+ 113%	- 19%
Reader's Digest	991,930	627,920	+ 58.0		1,616,353	687,552	+ 570%	+ 388%
ALL MAJOR TRADITIONAL MAGAZINES PUBLISHED IN CANADA	3,341,693	2,571,236	+ 30%		\$ 16,923,124	\$ 6,453,192	+ 162%	9.7% (11.9%)
Major Week-ends (Including Weekend Magazine)	1,614,188	1,929,346	- 15%		\$ 3,459,926	\$ 5,821,272	+ 45%	
Weekend Magazine	1,790,072	-	-		\$ 10,559,324	-	-	(Lithage not available beyond 1952).
ALL MAJOR WEEK-ENDS	3,403,260	1,929,346	+ 78%		\$ 19,010,750	\$ 5,821,272	+ 227%	9.3% (10.7%)
ALL MAJOR MAGAZINES PUBLISHED IN CANADA	6,772,953	4,500,582	+ 50%		\$ 35,933,874	\$ 12,274,464	+ 193%	18.5% (22.5%)
Time Magazine (Canadian Edition)	208,343	115,507	+ 81%		\$ 3,946,774	\$ 757,030	+ 421%	95% + 105%
"Canadian Section" Magazines *								
Argosy	104,702	-	-		\$ 59,052	-	-	-
Everyman's Family Circle	262,368	-	-		21,959	-	-	-
True	154,138	-	-		77,346	-	-	-
Woman's Day	198,455	-	-		20,381	-	-	-
U.S. MAGAZINES WITH CANADIAN SECTIONS, (Published in U.S. and reporting revenues to MAG)	928,556	115,507	-		\$ 4,129,512	\$ 757,030	-	2.1% (1.4%)
U.S. "OVERSEAS" MAGAZINES	6,179,327	3,975,493	-		-	-	-	-
ALL ABC U.S. - PUBLISHED MAGAZINES - CANADIAN CIRCULATION **	7,107,000	4,091,000	+ 74%		-	-	-	-
MAJOR DAILY NEWSPAPERS (73)	3,303,465	3,001,997	+ 27%		\$ 18,985,426	\$ 15,737,324	+ 21%	(25.2%) (28.3%)
MAJOR WEEKLY PERIODICALS (All Major)	2,100,000	1,900,000	+ 10%		\$ 6,627,036	\$ 3,809,686	+ 74%	(3.4%) (7.0%)
MAJOR BUSINESS PERIODICALS (406)	9,902,000	(261),193,628	+ 299%		\$ 25,300,000	\$ 9,682,000	+ 161%	(13.0%) (17.3%)
RADIO	301 Stations	163 Stations	+ 84%		\$ 25,000,000	\$ 12,281,800	+ 103%	(12.9%) (22.5%)
TV	61	-	-		(\$ est.)	-	-	(24.9%)
RADIO - TV	362	-	-		\$ 18,300,000	\$ 12,281,800	-	(37.5%)
Grand Total					\$ 194,274,818	\$ 54,542,304	+ 256%	

* These "Canadian Section" Magazines reporting revenues and
Lithage to MAG, began publishing Canadian Sections in
November, 1953.

** The 223 U.S. magazines reporting Canadian circulation in
1959; 137 in 1948.

NOTES: These are gross national revenues for the only major
publications and classifications which are reported.
(Refer to "Sources of Data").

ALL MAJOR PUBLICATIONS, RADIO AND TV (REPORTING) - 1952 - 1959

PUBLICATION	Average Circulation per Issue			Gross National Advertising Revenue			Number of Advertising Pages			Share of Revenue - Total	
	1959	1952	Change	1959	1952	Change	1959	1952	Change	1959	1952
CANADIAN											
All Major Traditional Magazines Published in Canada (omitting Reader's Digest)	2,347,763	2,018,961	+ 16%	\$ 12,306,771	\$ 8,162,202	+ 45%	3,924	5,305	- 26%		
Reader's Digest	991,930	796,531	+ 25%	4,645,353	2,477,247	+ 86%	1,269	1,017	+ 25%		
ALL MAJOR TRADITIONAL MAGAZINES PUBLISHED IN CANADA	3,339,693	2,815,492	+ 19%	\$ 16,952,124	\$ 10,639,449	+ 55%	5,193	6,322	- 15%	(8.7%)	(12.3%)
Major Week-ends (omitting Weekend Magazine)	1,611,188	1,661,393	- 1%	\$ 8,450,926	\$ 5,978,396	+ 11%	2,604	2,112	+ 21%		
Weekend Magazine	1,790,072	910,779	+ 90%	10,559,824	3,305,113	+ 219%	1,866	770	+ 90%		
ALL MAJOR WEEK-ENDS	3,401,260	2,602,172	+ 32%	\$ 19,010,750	\$ 9,283,039	+ 105%	4,070	2,882	+ 11%	(9.3%)	(10.1%)
ALL MAJOR MAGAZINES PUBLISHED IN CANADA	6,772,953	5,417,664	+ 25%	\$ 35,931,874	\$ 20,223,133	+ 78%	9,263	9,204	+ 0.6%	(13.5%)	(22.7%)
Five Magazines (Canadian Edition)	208,313	115,329	+ 11%	\$ 3,946,774	\$ 2,044,988	+ 97%	1,964	1,791	+ 10%		
** Argosy	104,702	-	-	59,052	-	-	61	-	-		
** Everywoman's Family Circle	262,368	-	-	74,322	-	-	32	-	-		
** True	184,188	-	-	71,310	-	-	61	-	-		
** Woman's Day	189,055	-	-	20,381	-	-	28	-	-		
U.S. "CDN. SECTION" MAGAZINES	923,556	-	-	\$ 4,128,512	\$ 2,004,998	+ 106%	2,132	1,791	+ 19%	(2.1%)	(2.2%)
Total U.S. "OverFlow"	7,107,000										
MAJOR DAILY NEWSPAPERS	3,803,165	3,111,105	+ 11%	\$ 48,985,126	\$ 28,056,672	+ 75%				(25.2%)	(31.1%)
MAJOR FARM PERIODICALS	2,130,000	not available	-	6,627,036	5,233,319	+ 27%				(3.4%)	(5.2%)
MAJOR BUSINESS PERIODICALS	3,902,000	not available	-	25,300,000	12,366,111	+ 105%				(23.4%)	(13.6%)
RADIO - TV											
RADIO	301 Stations	228	+ 32%	\$ 25,000,000 (Est)	\$ 20,730,000	+ 20%				(12.9%)	(23.3%)
TV	61 Stations	2	+ 2950%	46,300,000	500,000 (Est)	+ 9500%				(24.5%)	(6.6%)
RADIO - TV	362 Stations	230	+ 57%	\$ 73,300,000	\$ 21,230,000	+ 255%				(37.4%)	(23.9%)
* Grand Total				\$194,274,816	\$89,114,578	+ 118%					

* These are gross national revenues for the only major publications and classifications which are reported. (Refer to "Sources of Data").

** These "Canadian Section" magazines reporting revenues and tirage to M.A.B. began publishing Canadian Sections in November 1958.

	Average Circulation per Issue		Gross National Advertising Revenue		Number of Advertising Pages		% Share of Revenue Total	
	1959	1956	1959	1956	1959	1956	1959	1956
Major Traditional Magazines								
Published in Canada (omitting Reader's Digest)	2,349,763	2,369,681	- 1%	\$ 12,366,771	\$ 11,968,749	+ 3%	3,924	5,105
Reader's Digest	991,930	943,279	+ 5%	4,615,353	3,643,566	+ 26%	1,269	1,111
ALL MAJOR TRADITIONAL MAGAZINES PUBLISHED IN CANADA								
	3,341,698	3,312,960	+ 0.9%	\$ 15,982,124	\$ 15,612,315	+ 8%	5,193	6,216
Major Weekend Magazines (omitting Weekend Magazine)								
	1,641,138	1,662,699	- 1.3%	\$ 8,457,726	\$ 7,847,223	+ 7%	2,604	2,515
Weekend Magazine	1,790,072	1,452,161	+ 23%	20,559,824	8,274,086	+ 28	1,166	1,130
ALL MAJOR WEEK-ENDS								
	3,431,260	3,115,160	+ 10%	\$ 19,010,750	\$ 15,121,399	+ 13%	4,070	3,706
ALL MAJOR MAGAZINES PUBLISHED IN CANADA								
	6,772,958	6,123,120	+ 5%	\$ 35,933,874	\$ 31,779,644	+ 13%	9,263	9,952
U.S. "Canadian Section" Magazines								
TIME (Can. Edition)	209,813	175,593	+ 19%	\$ 3,946,774	\$ 3,877,596	+ 2%	1,964	2,558
Argo	104,702	-	-	59,052	-	-	61	-
★ Esquire's Family Circle	262,368	-	-	24,959	71,312	-	15	13
True	154,198	-	-	77,346	-	-	81	-
Woman's Day	198,455	-	-	20,361	-	-	28	-
U.S. MAGAZINES WITH CANADIAN SECTIONS								
	968,556	-	-	\$ 4,128,512	\$ 3,949,768	+ 5%	2,132	2,508
ALL U.S. "OFFSHORE" MAGAZINES								
	7,107,000	Net Available						
MAJOR DAILY NEWSPAPERS	3,803,165	3,772,375	+ 1%	\$ 18,985,126	\$ 13,927,191	+ 13%	(Image not available)	(25.2%)
MAJOR FARM PERIODICALS	2,130,000	Net Available		6,627,036	6,226,100	+ 6	3,453	(3.9%)
MAJOR BUSINESS PERIODICALS	3,902,000	Net Available		25,300,000	20,841,659	+ 23	(13.0%)	(12.9%)
RADIO - TV								
301 Stations	219 Stations	+ 21%		\$ 25,000,000	\$ 20,785,136	+ 20%	(comparable units not available)	(13.0%)
61 Stations	33 Stations	+ 85		18,300,000	33,468,374	+ 14	(21.9%)	(20.9%)
RADIO - TV								
362 Stations	282 Stations	+ 28%		\$ 73,300,000	\$ 54,283,510	+ 35%	(37.8%)	(33.9%)
* Grand Total								
				\$164,274,848	\$160,369,012	+ 21%		

* ★ Everyman's Family Circle produced a "Canadian Section" carrying Canadian advertising in 1956. Cashed Canadian section in 1957; returned in November, 1958.

* These are gross national revenues for the only major publications and classifications which are reported. (Refer to "Sources of Data").

ALL MAJOR TRADITIONAL MAGAZINES PUBLISHED IN CANADA (REPORTING) - 1948 - 1959

	<u>Average Circulation per Issue</u>		<u>Gross Advertising Revenue</u>		<u>Number of Advertising Pages</u>	
	<u>1959</u>	<u>1948</u>	<u>1959</u>	<u>1948</u>	<u>1959</u>	<u>Change</u>
						%
<u>ENGLISH MAGAZINES</u>						
Maclean's	512,385	326,011	\$ 4,496,956	\$1,942,129	937	+ 11%
Chatelaine	752,157	299,046	4,375,850	1,212,250	745	+ 33
Liberty	585,788	322,305	1,383,629	276,241	328	+ 29
Canadian Homes (& Gardens)	128,435	34,690	731,001	265,846	442	+ 27
Mayfair	8,294	15,533	128,160	220,487	265	- 67
Canadian Home Journal	-	305,323	-	1,174,881	-	-
Saturday Night (not in M.A.B. until 1950)	75,379	43,234	397,393	n.a.	520	-
National Home Monthly	-	335,060	-	-	-	-
ENGLISH MAGAZINES	2,062,438	1,681,202	\$11,512,989	\$5,091,834	2,237	+ 11%
<u>FRENCH MAGAZINES</u>						
La Revue Populaire	104,334	76,964	\$ 273,274	\$ 209,451	231	+ 44%
La Revue Moderne	102,604	103,207	327,803	235,385	238	- 37
Le Samedi	80,392	81,943	192,705	228,970	218	- 51
FRENCH MAGAZINES	287,330	262,114	\$ 793,782	\$ 673,806	687	+ 44%
MAJOR MAGAZINES (omitting Reader's Digest)	2,349,768	1,943,316	\$12,306,771	\$5,765,640	3,924	- 19%
Reader's Digest (English & French) (a)	991,930	627,920(b)	4,616,353	687,552	1,269	+ 388%
ALL MAJOR TRADITIONAL MAGAZINES PUBLISHED IN CANADA	3,341,698	2,571,236	\$16,923,124	\$6,453,192	5,193	+ 1.6%

(a) Reader's Digest Combined Editions first accepted advertising in February, 1948 (French Edition: July 1947, English Edition: February, 1948)

(b) Canadian circulation for period ending December 1948.

ALL MAJOR TRADITIONAL MAGAZINES PUBLISHED IN CANADA (REPORTING) - 1952 - 1959

	<u>Average Circulation per Issue</u>			<u>Gross National Advertising Revenue</u>			<u>Number of Advertising Pages</u>		
	<u>1959</u>	<u>1952</u>	<u>% Change</u>	<u>1959</u>	<u>1952</u>	<u>% Change</u>	<u>1959</u>	<u>1952</u>	<u>% Change</u>
<u>ENGLISH MAGAZINES</u>									
Maclean's	512,385	423,993	+ 21%	\$ 4,496,956	\$2,510,065	+ 79%	937	745	+ 26%
Chatelaine	752,157	380,148	+ 98	4,375,850	1,533,059	+ 185	745	495	+ 51
Liberty	585,788	411,778	+ 42	1,383,629	882,422	+ 57	328	399	- 18
Canadian Homes (& Gardens)	128,435	77,427	+ 66	731,001	544,709	+ 34	442	542	- 18
Mayfair	8,294	16,728	- 102	128,160	226,595	- 43	265	634	- 58
Saturday Night	75,379	62,241	+ 21	397,393	493,254	- 19	520	994	- 48
Canadian Home Journal	-	377,431	-	-	1,492,144	-	-	484	-
ENGLISH MAGAZINES	2,062,438	1,749,746	+ 18%	\$11,512,989	\$7,682,248	+ 50%	3,237	4,293	- 24%
<u>FRENCH MAGAZINES</u>									
La Revue Populaire	104,334	88,035	+ 19%	\$ 273,274	\$ 235,269	+ 16%	231	341	- 32%
La Revue Moderne	102,604	101,971	+ 0.6	327,803	296,635	+ 11	238	311	- 23
Le Samedi	80,392	79,209	+ 1.5	192,705	248,050	- 22	218	360	- 39
FRENCH MAGAZINES	287,330	269,215	+ 7%	\$ 793,782	\$ 779,954	+ 2%	687	1,012	- 32%
<u>MAJOR MAGAZINES (omitting Reader's Digest)</u>									
MAJOR MAGAZINES (omitting Reader's Digest)	2,349,768	2,018,961	+ 16%	\$12,306,771	\$8,462,202	+ 45%	3,924	5,305	- 26%
<u>Reader's Digest (English & French)</u>									
Reader's Digest (English & French)	991,930	796,531	+ 25%	4,616,503	2,477,247	+ 86%	1,269	1,017	+ 25%
ALL MAJOR TRADITIONAL MAGAZINES PUBLISHED IN CANADA	3,341,698	2,815,492	+ 19%	\$16,923,124	\$10,939,449	+ 55%	5,193	6,322	- 18%

ALL MAJOR TRADITIONAL MAGAZINES PUBLISHED IN CANADA (REPORTING) - 1956 - 1959

	<u>Average Circulation per Issue</u>			<u>Gross National Advertising Revenue</u>			<u>Number of Advertising Pages</u>		
	<u>1959</u>	<u>1956</u>	<u>Change</u> %	<u>1959</u>	<u>1956</u>	<u>Change</u> %	<u>1959</u>	<u>1956</u>	<u>Change</u> %
<u>ENGLISH MAGAZINES</u>									
Maclean's	512,385	514,567	+ 0.4%	\$ 4,496,956	\$ 4,714,382	- 5%	937	1,143	- 18%
Chatelaine	752,157	423,843	+ 77%	4,375,850	1,831,303	+ 139	745	524	+ 42
Liberty	585,788	509,122	+ 15	1,383,629	1,427,046	- 3	328	422	- 22
Canadian Homes (& Gardens)	128,435	129,642	- 1	731,001	934,305	- 22	442	562	- 21
Mayfair	8,294	19,599	- 58	128,160	241,115	- 47	265	507	- 48
Saturday Night	75,379	77,743	- 3	397,393	295,945	+ 34	520	469	+ 11
Canadian Home Journal	-	434,884	-	-	1,588,088	-	-	452	-
ENGLISH MAGAZINES	2,062,438	2,109,400	- 2%	\$11,512,989	\$10,032,184	+ 14%	3,237	4,079	- 21%
<u>FRENCH MAGAZINES</u>									
La Revue Populaire	104,334	84,191	+ 24%	\$ 273,274	\$ 275,012	- 1%	231	306	- 25%
La Revue Moderne	102,604	98,920	+ 4	327,803	318,135	+ 3	238	283	- 16
Le Samedi	80,392	77,170	+ 4	192,705	343,418	- 44	218	437	- 50
FRENCH MAGAZINES	287,330	260,281	+ 10%	\$ 793,782	\$ 936,565	- 15%	687	1,026	- 33%
MAJOR MAGAZINES (omitting Reader's Digest)	2,349,768	2,369,681	- 1%	\$12,306,771	\$11,968,749	+ 3%	3,924	5,105	- 23%
Reader's Digest (English & French)	991,930	943,279	+ 5%	4,616,353	3,649,586	+ 26%	1,269	1,141	+ 11%
ALL MAJOR TRADITIONAL MAGAZINES PUBLISHED IN CANADA	3,341,698	3,312,960	+ 1%	\$16,923,124	\$15,618,335	+ 8%	5,193	6,246	- 17%

ALL MAJOR WEEK-END MAGAZINES (REPORTING) - 1948 - 1959

	Average Circulation per Issue			Gross Advertising Revenue			Number of Advertising Pages		
	1959	1948	% Change	1959	1948	% Change	1959	1948	% Change
Star Weekly	949,363	903,387	+	\$ 4,948,264	\$3,329,137	+	1,117	not available	
La Presse	257,986	264,504	-	1,387,212	501,370	+	988	(Printer's Ink	
La Patrie	194,110	246,647	-	1,096,149	950,574	+	499	Reports available	
								date back only to 1952)	
3 Major Week-ends	1,401,459	1,444,538	-	\$ 7,431,625	\$4,781,081	+	2,604		
Standard	not published	337,236	-	not published	1,040,191		not published		
4 Major Week-ends in 1948	1,401,459	1,751,774	-	\$ 7,431,625	\$5,821,272	+	2,604		
Weekend	1,790,072	not published	-	\$10,559,824	not published		1,466		
4 Major Week-ends in 1959	3,191,531	1,751,774	+	\$17,991,449	\$5,821,272	+	4,070		
Le Petit Journal	239,729	177,572	+	1,019,301	not available		not available		
5 Major Week-ends	3,431,260	1,929,346	+	\$19,010,750					
ALL NATIONAL WEEK-ENDS	3,431,260	1,929,346	+	\$19,010,750	\$ 5,821,272	+	4,070	-	-

ALL MAJOR WEEK-END MAGAZINES (REPORTING) - 1952 - 1959

	Average Circulation per Issue			Gross National Advertising Revenue			Number of Advertising Pages		
	1959	1952	Change %	1959	1952	Change %	1959	1952	Change %
Star Weekly	949,363	889,099	+ 8%	\$ 4,948,264	\$4,080,035	+ 21%	1,117	887	+ 26%
La Patrie	194,110	274,484	- 29	1,096,149	1,063,074	+ 3	499	622	- 20
La Presse	257,986	263,477	- 2	1,387,212	594,046	+ 134	988	603	+ 64
Weekend	1,790,072	940,779	+ 90	\$10,559,824	\$3,305,143	+ 219	1,466	770	+ 90
Major Week-ends	3,191,531	2,367,839	+ 35%	\$17,991,449	\$9,042,298	+ 98%	4,070	2,882	+ 41%
Le Petit Journal	239,729	234,333	+ 2%	1,019,301	241,741	+ 322%	not available	-	-
ALL MAJOR WEEK-ENDS	3,431,260	2,602,172	+ 32%	\$19,010,750	\$9,284,039	+ 105%	4,070	2,882	+ 41%

ALL MAJOR WEEK-END MAGAZINES (REPORTING) - 1956 - 1959

	Average Circulation per Issue		Gross National Advertising Revenue		Number of Advertising Pages	
	1959	1956 Change	1959	1956 Change	1959	1956 Change
Star Weekly	949,363	873,695 + 9%	\$ 4,948,264	\$ 4,625,892 + 7%	1,117	956 + 17%
La Patrie	194,110	256,916 - 24	1,096,149	1,632,388 - 33	499	822 - 39
La Presse	257,986	253,750 + 2	1,387,212	917,854 + 51	988	738 + 34
Weekend	1,790,072	1,452,461 + 23%	10,559,824	8,274,086 + 28	1,466	1,190 + 23
4 Major Week-ends	3,191,531	2,836,822 + 13%	\$17,991,449	\$15,450,220 + 16%	4,070	3,706 + 10%
Le Petit Journal	239,729	278,338 - 14%	1,019,301	671,089 + 52%	not available	

ALL MAJOR WEEK-ENDS	3,431,260	3,115,160 + 10%	\$19,010,750	\$16,121,309 + 18%	4,070	3,706 + 10%
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INDIVIDUAL MAJOR ENGLISH AND FRENCH WEEK-END MAGAZINES

Year	Standard	Weekend Magazine	Lat-Pat	Lat-Presse	Le Petit Journal	Totals
24	21	16	15	12	9	4
26	24	21	16	12	9	4
27	24	21	16	12	9	4
28	24	21	16	12	9	4
29	24	21	16	12	9	4
30	24	21	16	12	9	4
1947	902,873	300,000 (Est.)	253,789	261,309	173,590	1,921,561
1948	903,387	337,236	246,647	264,504	177,572	1,929,346
1949	905,343	320,791	244,934	252,471	189,618	1,913,157
1950	890,191	280,229	253,798	254,787	201,066	1,880,017
1951	839,524		259,894	254,241	214,836	2,471,495
1952	889,099	903,000	274,484	263,477	234,333	2,602,172
1953	920,984	940,779	282,480	268,413	249,930	2,732,914
1954	897,780	1,011,107	279,331	267,867	261,501	2,866,139
1955	885,740	1,159,660	266,638	260,308	272,158	3,006,203
1956	873,695	1,321,359	256,916	253,750	278,338	3,115,160
1957	887,000	1,452,461	239,484	247,598	277,489	3,142,823
1958	860,698	1,491,252	189,677	252,697	242,338	3,051,706
1959	949,363	1,506,296	194,110	257,986	239,729	3,431,260
		1,790,072				
Change						
1948-1959	+5%	-	-21%	-2%	+35%	+78.0%
1952-1959	+8	+90%	-29	-2	+2	+31.9
1956-1959	+9	+23	-24	+2	-14	+10.1

Sources: Weekend Magazine - from the publisher's own statements.

Others - Audit Bureau of Circulations Publishers' Statements.

AVERAGE ANNUAL CIRCULATION PER ISSUE, 1947 - 1959
INDIVIDUAL MAJOR ENGLISH AND FRENCH WEEK-END MAGAZINES

Year	Star Weekly	Standard	Weekend Magazine	La Patrie	La Presse	Le Petit Journal	Totals
1947	902,873	300,000 (Est.)		253,789	261,309	173,590	1,921,561
1948	903,387	337,236		246,647	264,504	177,572	1,929,346
1949	905,343	320,791		244,934	252,471	189,618	1,913,157
1950	890,191	280,229		253,798	254,787	201,066	1,880,017
1951	839,524		903,000	259,894	254,241	214,836	2,471,495
1952	889,099		940,779	274,484	263,477	234,333	2,602,172
1953	920,984		1,011,107	282,480	268,413	249,930	2,732,914
1954	897,780		1,159,660	279,331	267,867	261,501	2,866,139
1955	885,740		1,321,359	266,638	260,308	272,158	3,006,203
1956	873,695		1,452,461	256,916	253,750	278,338	3,115,160
1957	887,000		1,491,252	239,484	247,598	277,489	3,142,823
1958	860,698		1,506,296	189,677	252,697	242,338	3,051,706
1959	949,363		1,790,072	194,110	257,986	239,729	3,431,260

%

Change

1948-1959	+5%
1952-1959	+8
1956-1959	+9

+78.0%
+31.9
+10.1

-2%
-2
+2

-21%
-29
-24

-
+90%
+23

+35%
+2
-14

Sources: Weekend Magazine - from the publisher's own statements.

Others - Audit Bureau of Circulations Publishers' Statements.



ANGUS, STONEHOUSE & CO. LTD.
TORONTO, ONTARIO

GROSS ADVERTISING REVENUES, 1947-1959
INDIVIDUAL MAJOR ENGLISH AND FRENCH MAGAZINES REPORTING THROUGH M.A.B.

Year	Reader's Digest	Maclean's	Liberty	Chatelaine	Canadian Home Journal	Canadian Homes	Saturday Night	Mayfair	Time	La Revue Populaire	La Revue Moderne	Le Samedi	Totals
1947	\$ -	\$ 1,795,717	\$ -	\$ 1,183,251	\$ 1,058,638	\$ 236,743	\$ -	\$ 236,242	\$ -	\$ 172,944	\$ 205,205	\$ 193,183	\$ 5,081,921
1948	687,552	1,942,129	276,241	1,212,250	1,174,881	265,846	-	220,487	757,030	209,451	235,385	228,970	7,210,221
1949	1,216,495	1,891,875	445,048	1,257,677	1,231,386	357,969	-	227,666	919,531	226,543	243,442	246,214	8,263,840
1950	1,557,612	2,061,942	694,582	1,336,970	1,277,959	384,575	419,568	218,206	1,176,687	223,518	242,672	229,503	9,823,790
1951	1,905,356	2,377,638	938,484	1,600,424	1,557,360	427,651	439,386	224,992	1,604,405	259,664	281,415	283,907	11,900,687
1952	2,477,247	2,510,065	882,422	1,533,059	1,492,144	544,709	493,254	226,595	2,004,988	235,269	296,635	248,050	12,944,437
1953	2,793,005	3,569,515	893,364	1,746,691	1,521,542	663,711	473,910	233,242	2,678,602	259,568	298,010	311,332	15,442,481
1954	2,848,290	3,812,929	853,308	1,724,952	1,595,408	797,096	448,073	204,165	2,896,236	275,921	295,201	346,319	16,098,896
1955	3,094,483	4,478,210	1,085,394	1,650,723	1,444,938	849,409	408,271	199,823	3,320,664	282,407	297,663	322,240	17,434,221
1956	3,649,586	4,714,382	1,427,046	1,831,303	1,588,088	934,305	295,945	241,115	3,877,556	275,012	318,135	343,418	19,495,891
1957	4,068,923	5,096,184	1,426,736	1,704,434	1,651,363	876,037	214,726	226,551	3,908,159	234,918	339,721	298,799	20,046,551
1958	4,581,998	4,620,468	1,416,069	2,306,413	827,527	789,875	305,256	192,046	3,621,855	199,815	328,536	164,272	19,354,130
1959	4,616,353	4,496,956	1,383,629	4,375,850	-	731,001	397,393	128,160	3,946,774	273,274	327,803	192,705	20,869,898
% Change							(150-159)						
1948-1959	+ 571%	+ 131%	+ 401%	+ 261%	+ 41%('48-'57)	+ 175%	- 5%	- 42%	+ 421%	+ 30%	+ 39%	- 1.6%	+ 189.4%
1951-1959	+ 142%	+ 89%	+ 47%	+ 174%	+ 6%('51-'57)	+ 71%	- 10%	- 43%	+ 146%	+ 5%	+ 16%	- 32.0%	+ 75.0%
1952-1959	+ 86%	+ 79%	+ 57%	+ 185%	+ 11%('52-'57)	+ 34%	- 19%	- 43%	+ 97%	+ 16%	+ 11%	- 22.0%	+ 61.0%
1956-1959	+ 26%	- 5%	- 3%	+ 139%	+ 3%('56-'57)	- 22%	+ 34%	- 47%	+ 2%	- 1%	+ 3%	- 44.0%	+ 7.0%

GROSS ADVERTISING REVENUE, 1945 - 1959
INDIVIDUAL MAJOR ENGLISH AND FRENCH WEEK-END MAGAZINES
 (Reporting through Elliott-Haynes)

Year	Star Weekly	Standard	Weekend	LaPatrie	LaPresse	Le Petit Journal	Totals
1945	\$2,145,722	\$509,754		\$510,129	\$377,263	-	\$3,542,868
1946	2,720,821	609,236		628,571	429,735	-	4,388,433
1947	3,503,636	940,748		733,380	492,125	-	5,669,889
1948	3,329,137	1,040,191		950,574	501,370	-	5,821,272
1949	3,518,655	1,257,154		904,220	418,992	\$182,295	6,261,316
1950	4,150,767	1,508,861		937,037	506,554	198,787	7,302,006
1951	4,077,493	907,345	\$1,183,785*	1,204,694	647,880	256,116	8,277,313
1952	4,080,035	-	3,305,143	1,063,074	594,046	241,741	9,284,039
1953	4,579,145	-	3,918,796	1,177,555	631,747	309,474	10,616,717
1954	5,359,842	-	5,265,142	1,445,649	816,632	378,546	13,265,811
1955	5,202,631	-	6,548,797	1,518,431	836,820	485,412	14,592,091
1956	4,625,892	-	8,274,086	1,632,388	917,854	671,089	16,121,309
1957	4,369,386	-	9,132,316	1,611,298	915,468	817,265	16,845,733
1958	4,699,438	-	9,272,390	1,316,151	1,012,516	915,280	17,216,075
1959	4,948,264	-	10,559,824**	1,096,149	1,387,212	1,019,301	19,010,750

% Change

1945-1950	-	+196%	-	-	-	-	
1945-1959	+131%	-	-	+115%	+268%	-	
1948-1959	+49%	-	-	+15%	+177%	+459% (1949-1959)	+226.6%
1951-1959	+21%	-	+792%	-9.1%	+114%	+298%	+130.0%
1952-1959	+21%	-	+219%	+3.0%	+134%	+322%	+105.0%
1956-1959	+7%	-	+28%	-33.0%	+51%	+52%	+17.9%

Note: * Effective September 1951 the Montreal Standard was replaced by Weekend Magazine.

** Effective September 1959 Perspectives, the French language edition of Weekend, was issued.

Source: Elliott-Haynes Limited - Publication Survey Reports.



ANGUS, STONEHOUSE & CO. LTD.
TORONTO, ONTARIO

NUMBER OF ADVERTISING PAGES, 1947-1959
INDIVIDUAL MAJOR ENGLISH AND FRENCH MAGAZINES REPORTING THROUGH M.A.B.

Year	Reader's Digest	Maclean's	Liberty	Chatelaine	Canadian Home Journal	Canadian Homes	Saturday Night	Mayfair	Time	La Revue Populaire	La Revue Moderne	Le Samedi	Totals
1947	-	892	-	619	566	654	-	903	-	414	347	458	4,853
1948	260	840	254	560	550	604	-	813	956	409	375	445	6,066
1949	588	736	230	522	514	573	-	702	1,129	376	332	416	6,118
1950	778	689	358	478	474	567	1,059	671	1,405	369	334	380	7,562
1951	882	766	453	553	555	605	1,042	665	1,716	383	348	428	8,390
1952	1,017	745	399	495	484	542	994	634	1,791	341	311	360	8,113
1953	1,007	978	368	524	471	595	887	584	2,150	339	317	422	8,643
1954	1,047	1,029	337	510	472	573	850	491	2,167	307	296	449	8,529
1955	1,037	1,165	364	492	426	525	727	449	2,322	317	273	423	8,520
1956	1,141	1,143	422	524	452	562	469	507	2,508	306	283	473	8,754
1957	1,118	1,085	400	481	407	527	335	467	2,086	231	281	326	7,744
1958	1,202	916	367	488	196	482	473	392	1,800	194	248	184	6,942
1959	1,269	937	328	745	-	422	520	265	1,964	231	238	218	7,157
Change					(1948-'57)								
1948-1959	+ 388%	+ 11%	+ 29%	+ 33%	- 26%	- 27%	- 48%	- 67%	+ 105%	- 43.5%	- 37%	- 51%	+ 18%
1952-1959	+ 25%	+ 26%	- 18%	+ 51%	- 16%	- 18%	+ 11%	- 58%	+ 10%	- 32%	- 23%	- 39%	- 18.2%
1956-1959	+ 11%	- 18%	- 22%	+ 42%	- 10%	- 21%	+ 11%	- 48%	- 22%	- 25%	- 16%	- 50.1%	- 11.8%



ANGUS, STONEHOUSE & CO. LTD.
TORONTO, ONTARIO

NUMBER OF ADVERTISING PAGES, 1952 - 1959
INDIVIDUAL MAJOR ENGLISH AND FRENCH WEEK-END MAGAZINES

Year	Reporting Linage in Printer's Ink				Linage Converted to Pages				Page Totals
	Weekend Magazine	Perspectives	Star Weekly	La Patrie	La Presse	Weekend Magazine	Star Weekly	La Patrie	La Presse
1947									
1948			638,840	446,270	474,535				
1949			790,444	523,848	571,882				
1950			853,276	618,605	637,940				
1951	310,719		776,490	621,599	603,481				
1952	750,499		858,597	704,687	648,492				
1953	873,372		1,005,744	797,215	734,011	770	887	622	603
1954	1,044,561		904,210	792,160	724,398	896	981	705	648
1955	1,022,442		836,786	821,597	737,974	1,071	1,149	797	734
1956	1,160,600		898,693	757,643	697,970	1,048	1,033	792	724
1957	1,180,682		964,147	614,294 (bc)	702,864 (c)	1,190	956	822	738
1958	1,210,724		977,225	449,349	889,263	1,211	1,027	758	698
1959	1,221,761	207,836 (a)				1,242	1,102	683	781
						1,253 English)	1,117	499	988
						213 French)			
						1,466 Total)			

(a) Perspectives first published September 12, 1959. Linage given for September to December.

(b) Due to labour strike all issues not published.

(c) Smaller page size during year.

NOTE: "Printer's Ink" Linage reports prior to 1949 unavailable, and Le Petit Journal is not reported in P.I.

% Change

1952-1959
1956-1959

+26%
+17%
-20%
-40%
+64%
+34%
+41.2%
+10.0%

36



PAGE RATE INCREASES

INDIVIDUAL MAJOR MAGAZINES AND WEEK-END MAGAZINES, ENGLISH AND FRENCH

1P4C and 1PBW

1947 - 1961

<u>Publication</u>	<u>Contents</u>	<u>Page</u>
Reader's Digest		37
Maclean's		38
Liberty		39
Chatelaine		40
Canadian Home Journal		41
Canadian Homes		42
Saturday Night		43
Mayfair		44
Time Magazine		45
La Revue Populaire		46
La Revue Moderne		47
Le Samedi		48
Star Weekly		49
Weekend Magazine		50
La Patrie		51
La Presse		52
Le Petit Journal		53



READER'S DIGEST

<u>Rate Card Effective</u>	<u>Combined Editions</u>	
	<u>1P4C</u>	<u>1PBW</u>
January, 1961	\$5,580	\$4,305
January, 1960	5,075	3,915
July, 1958	4,415	3,405
January, 1958	4,600	3,545
January, 1957	4,320	3,330
January, 1956	3,795	2,925
October, 1954	3,615	2,785
January, 1953	3,320	2,555
January, 1952	2,985	2,295
January, 1951	2,595	1,975
January, 1950	2,445	1,865
January, 1949	2,445	1,865
January, 1948	3,300	2,200
<u>% Increase</u>		
1948 - 1961	69.1%	95.7%
1948 - 1959	33.8	54.8
1952 - 1959	48.0	45.0
1956 - 1959	16.3	16.4



MACLEAN'S

<u>Rate Card Effective</u>	<u>1P4C</u>	<u>1PBW</u>
(Combined English and New French Edition) February, 1961	\$6,040	\$4,265
January, 1959	4,900	3,460
March, 1958	5,215	3,680
October, 1957	5,215	3,680
March, 1957	4,760	3,350
March, 1956	4,325	3,045
* 1955	4,120	2,900
* 1953	4,000	2,820
* 1952	3,690	2,600
* 1950	3,400	2,380
* 1949	2,950	2,080
* 1948	2,700	1,880
* 1947	2,400	1,700
<u>% Increase</u>		
1948 - 1961	123.7%	126.9%
1948 - 1959	81.5	84.0
1952 - 1959	32.7	33.1
1956 - 1959	13.3	13.6

* Month unknown.



LIBERTY

<u>Rate Card Effective</u>	<u>1P4C</u>	<u>1PBW</u>
January, 1961	\$4,960	\$3,155
July, 1960	4,745	3,020
February, 1959	4,790	3,045
February, 1958	4,355	2,770
February 1957	4,070	2,590
January, 1956	3,885	2,470
March, 1955	3,530	2,245
April, 1953	3,025	1,925
November, 1951	2,750	1,750
May, 1951	2,750	1,600
January, 1950	2,400	1,600
* 1949	2,400	1,600
(Old Liberty) 1947	1,600	950
<u>% Increase</u>		
1948 - 1961	210.0%	232.1%
1948 - 1959	199.4%	220.5
1952 - 1959	74.0	74.0
1956 - 1959	23.3	23.3

* Month unknown.



CHATELAIN

<u>Rate Card Effective</u>	<u>1P4C</u>	<u>1PBW</u>
(Combined Chatelaine and La Revue Moderne) October, 1960	\$7,860	\$5,720
May, 1959	6,330	4,580
September, 1958	5,835	4,220
February, 1958	4,210	3,045
March 1956	3,725	2,695
January, 1955	3,565	2,580
March, 1953	3,565	2,580
March, 1952	3,350	2,430
March, 1950	3,100	2,230
* 1949	2,700	1,940
* 1948	2,475	1,760
* 1947	2,200	1,600
<u>% Increase</u>		
1948 - 1960	217.6%	225.0%
1948 - 1959	155.8	160.2
1952 - 1959	89.0	88.5
1956 - 1959	69.9	69.9

* Month unknown



CANADIAN HOME JOURNAL

<u>Rate Card Effective</u>	<u>1P4C</u>	<u>1PBW</u>
March, 1958	\$4,450	\$3,215
January, 1957	4,250	3,065
January, 1956	3,550	2,550
January, 1954	3,550	2,550
January, 1953	3,550	2,550
January, 1952	3,350	2,430
January, 1951	3,000	2,155
January, 1950	3,000	2,155
January, 1949	2,700	1,940
January, 1948	2,475	1,760
January, 1947	2,200	1,600

% Increase

1948 - 1958	79.8%	82.7%
1952 - 1958	32.8	32.3
1956 - 1958	25.4	26.1



CANADIAN HOMES (& GARDENS)

<u>Rate Card Effective</u>	<u>1P4C</u>	<u>1PBW</u>
February, 1961	\$2,715	\$1,970
February, 1960	2,090	1,515
February, 1955	1,670	1,210
February, 1954	1,450	1,050
August, 1953	1,120	840
February, 1952	1,120	840
February, 1949	800	600
* 1948	600	450
* 1947	475	315

% Increase

1948 - 1961	352.5%	337.8%
1948 - 1959	178.3	168.9
1952 - 1959	49.1	44.0
1956 - 1959	-	-

*Month unknown



SATURDAY NIGHT

<u>Rate Card Effective</u>	<u>1P4C</u>	<u>1PBW</u>
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January, 1961	\$1,170	\$780
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January, 1959	935	650
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September, 1955	788	546
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September, 1948	510	308
-----------------	-----	-----

% Increase

1948 - 1961	129.4%	153.2%
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1948 - 1959	83.3	111.0
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1952 - 1959	83.3	111.0
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1956 - 1959	18.7	19.0
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MAYFAIR*

<u>Rate Card Effective</u>	<u>1P4C</u>	<u>1PEW</u>
January, 1959	\$540	\$390
August, 1955	540	390
August, 1949	425	300
August, 1948	350	250
November, 1947	350	250
<u>% Increase</u>		
1948 - 1959	54.3%	56.0%
1952 - 1959	27.0	30.0
1956 - 1959	-	-

* Publisher's announcement stated - "to become
International Mayfair with first issue
September, 1960".



TIME
(Canadian Edition)

<u>Rate Card Effective</u>	<u>1P4C</u>	<u>1PBW</u>
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January, 1961	\$3,030	\$2,020
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January, 1960	2,665	1,775
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October, 1958	2,365	1,575
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January, 1958	2,450	1,635
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January, 1957	2,190	1,460
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May, 1956	1,895	1,265
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April, 1955	1,735	1,155
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January, 1954	1,615	1,075
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January, 1953	1,500	1,000
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January, 1952	1,350	900
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July, 1951	1,200	800
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September, 1950	1,080	720
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September, 1949	990	660
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* 1948	990	660
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* 1947	900	600
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<u>% Increase</u>		
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1948 - 1961	206.1%	206.1%
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1948 - 1959	138.9	138.6
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1952 - 1959	75.2	75.0
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1956 - 1959	24.8	24.5
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* Month unknown



LA REVUE POPULAIRE

<u>Rate Card Effective</u>	<u>1P4C</u>	<u>1PBW</u>
April, 1960	\$1,450	\$1,085
May, 1959	1,250	980
January, 1957	1,060	805
January, 1954	950	700
January, 1951	725	560
January, 1949	675	490
January, 1948	575	420
January, 1947	575	420
<u>% Increase</u>		
1948 - 1961	152.2%	158.3%
1948 - 1959	117.4	133.3
1952 - 1959	72.4	75.0
1956 - 1959	31.6	40.0



LA REVUE MODERNE

<u>Rate Card Effective</u>	<u>1P4C</u>	<u>1PBW</u>
October, 1960 *	\$1,440	\$1,050
January, 1959	1,420	1,040
September, 1957	1,351	990
September, 1954	1,175	860
September, 1951	900	630
September, 1949	900	630
September, 1948	610	500
January, 1947	610	500
<u>% Increase</u>		
1948 - 1961	136.1%	110.0%
1948 - 1959	132.8	108.0
1952 - 1959	57.8	65.0
1956 - 1959	20.9	20.9

* French edition of Chatelaine - La Revue Moderne.



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LE SAMEDI

<u>Rate Card Effective</u>	<u>1P4C</u>	<u>1PBW</u>
July, 1960	\$940	\$700
March, 1959	940	700
January, 1957	940	700
January, 1954	850	595
January, 1951	725	560
January, 1949	675	490
January, 1948	575	420
<u>% Increase</u>		
1948 - 1961	63.5%	66.7%
1948 - 1959	63.5	66.7
1952 - 1959	29.7	25.0
1956 - 1959	10.6	17.6



ANGUS. STONEHOUSE & CO. LTD.
TORONTO, ONTARIO

STAR WEEKLY

Rate Card Eff.

Roto

Single rate for
Roto and Magazine
Sections in

1P4C

1PBW

1P4C

1PBW

Jan. 61
Jan. 60
Sep. 58
Jul. 57
Nov. 56
Jul. 54
Jan. 52
Jun. 50
Jan. 50

\$ 4,850
4,850
4,400
4,400
4,400
4,400
4,000
3,600
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\$ 4,250
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4,500
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3,600

\$ 4,250
3,750
3,450
3,100
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4,200
4,200
3,700
3,300

* 49
* 48
* 47

3,300
3,300
3,000

2,700
2,700
2,400

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-
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-
-
-

%

Increase

1948 - 61

1948 - 59

1952 - 59

1956 - 59

47.0%

33.3

10.0

-

57.4%

40.7

11.8

-

34.7%

(150-161)

(150-159)

-6.7

28.8%

4.5

-17.8

11.3

* Month Unknown



WEEKEND MAGAZINE

<u>Rate Card Effective</u>	<u>1P4C</u>	<u>1PBW</u>
(Comb.) January, 1961	\$10,850	\$8,550
" September, 1960	10,340	8,140
" January, 1960	10,090	7,940
" *September, 1959	9,450	7,350
January, 1959	8,000	6,400
January, 1958	7,200	5,800
January, 1957	7,200	5,800
January, 1956	6,700	5,350
January, 1955	6,000	4,800
July, 1954	4,975	4,000
January, 1954	4,600	3,700
February, 1953	4,300	3,500
July, 1952	4,300	3,500
January, 1952	4,025	3,325
September, 1951	3,500	2,900

*Perspectives first published Sept. 12, 1959

% Increase

1951 - 1961	210.0%	194.8%
1951 - 1959	170.0	153.4
1952 - 1959	119.8	110.0
1956 - 1959	41.0	37.4



ANGUS, STONEHOUSE & CO. LTD.
TORONTO, ONTARIO

50

LA PATRIE

<u>Rate Card Effective</u>	<u>1P4C</u>	<u>1PEW</u>
January, 1959	\$1,500	\$ 990
January, 1958	1,450	990
June, 1956	1,450	1,100
June, 1954	1,300	950
June, 1951	1,200	850
June, 1949	1,100	750
June, 1948	600	330
June, 1946	600	330
<u>% Increase</u>		
1948 - 1961	150.0%	200.0%
1948 - 1959	150.0	200.0
1952 - 1959	25.0	16.5
1956 - 1959	3.4	-10.0



LA PRESSE

<u>Rate Card Effective</u>	<u>1P4C</u>	<u>1PBW</u>
January, 1960	\$1,700	\$1,170
January, 1959	1,550	1,080
January, 1958	1,500	1,080
June, 1956	1,450	1,100
June, 1954	1,300	950
June, 1951	1,200	850
June, 1949	1,100	750
June, 1948	950	650
June, 1946	950	650
<u>% Increase</u>		
1948 - 1961	78.9%	80.0%
1948 - 1959	63.2	66.2
1952 - 1959	29.2	27.0
1956 - 1959	6.9	-1.8



LE PETIT JOURNAL

<u>Rate Card Effective</u>	<u>1P4C</u>	<u>1PBW</u>
January, 1960	\$1,050	\$700
October, 1957	900	600
October, 1948	450	300
October, 1947	450	300

% Change

1948 - 1961	133.3%	133.3%
1948 - 1959	100.0	100.0
1952 - 1959	100.0	100.0
1956 - 1959	100.0	100.0



ANGUS, STONEHOUSE & CO. LTD.
TORONTO, ONTARIO

THE GROWTH OF RADIO STATIONS

Number of Stations*

<u>Year</u>	<u>CBC</u>	<u>Private</u>	<u>Total</u>
1948	39	124	163
1950	49	169	218
1952	52	176	228
1954	51	178	229
1956	55	194	249
1958	63	212	275
1960	68	233	301

* Includes: 1) Amplitude modulated standard
band stations.

2) Frequency modulated stations.

3) Amplitude modulated short wave
stations.

Source: List of Broadcasting Stations in
Canada, Telecommunication Division,
Department of Transport.



THE GROWTH OF TELEVISION STATIONS AND
COVERAGE

<u>Year</u>	<u>No. of TV Stations in Operation</u>	<u>% of Cdn. House- holds within Tele- casting Area</u>	<u>TV-owning homes as a % of Total Homes</u>
Sept. 1952*	2	30%	4%
Mar. 1953	2	30	8
1954	9	48	17
1955	26	73	34
1956	33	80	51
1957	38	86	62
1958	52	90	71
1959	61	91	75
1960	73	93**	***

* Television introduced in Canada in September, 1952.

** CBC reports potential coverage will be 94% in January, 1961.

*** Not available from D.B.S. as yet.

Note: Number of stations include both private and CBC Stations. In 1960, for example, there are 16 CBC-TV stations and 57 private.

Source: CBC annual reports.

COMMERCIAL REVENUE - C.B.C. RADIO AND TV STATIONS

<u>Year</u>	<u>Total C.B.C. Revenue</u>	<u>C.B.C. Radio</u>	<u>C.B.C. TV</u>	
1947-48	\$ 1,842,558	\$ 1,842,558		
1948-49	2,217,130	2,217,130		
1949-50	2,366,401	2,366,401		
1950-51	2,463,345	2,463,345		
1951-52	2,456,432	2,456,432		
1952-53	3,032,095	2,513,715	\$ 518,380 (a)	
1953-54	3,806,255	2,471,489	1,334,766	2620% first "full year" comparison
1954-55	6,263,190	2,105,865	4,157,325	
1955-56	9,134,945	1,731,507	7,403,438	
1956-57	11,179,940	1,338,302	9,841,638	
1957-58(b)	28,410,514	2,029,842	26,380,672	
1958-59(b)	32,093,505	1,966,714	30,126,791	
1959-60	38,162,000	1,850,000	36,312,000	

% CHANGE

1948/49-1959/60	+ 1621%	- 16.6%	
1952-53-1959/60	+ 1159%	- 26.4%	+ 6905%

(a) From September, 1952 to March 31, 1953 - \$500,000 gross estimated for Sept.-Dec., 1952.

(b) In annual reports, C.B.C. published net revenue figures previous to 1957-58. Comparable data not available.

Source: C.B.C. Annual Reports, for years ending March 31.

ADVERTISING AGENCY BILLINGS -- IN PUBLICATIONS, RADIO, TV

Total Commissionable Billings		<u>Publications</u>	% of Total	<u>Radio</u>	% of Total	<u>Television</u>	% of Total
		<u>Amount</u>		<u>Amount</u>		<u>Amount</u>	
6	\$ 52,079,347	\$31,872,600	61.2%	\$9,530,500	18.3%		
7	64,422,777	39,813,300	61.8	10,178,800	15.8		
8	73,543,766	44,420,400	60.4	12,281,800	16.7		
9	86,450,968	52,908,000	61.2	13,572,800	15.7		
0	95,566,600	56,957,700	59.6	15,306,200	16.1		
1	107,461,752	63,724,800	59.3	18,590,900	17.3		
2	120,628,827	72,256,667	59.9	21,230,674(a)	17.6		
3	142,957,916	84,488,128	59.1	26,733,130(a)	18.7		
4	154,467,028	87,119,400	56.4	31,710,690	15.4	\$8,595,626	5.5%
5	177,240,355	94,469,109	53.3	21,091,602	11.9	23,927,448	13.5
6	201,797,434	106,145,450	52.6	20,785,136	10.3	33,498,374	16.6
7	222,025,208	114,565,000	51.6	22,202,000	10.0	40,630,000	18.3
8	233,789,205	115,258,078	49.3	24,547,867	10.5	47,926,787	20.5
9	-	-		-		48,300,000(b)	
Increase							
since 1946	348.9%	261.6%		Radio <u>and</u> TV		660.4%	
since 1948	217.8	159.5				490.1	

Notes: 1958 data - latest year available

Part of the commissionable billings go to outlets other than those listed above: "Other Visual" media (outdoor, etc.), production, artwork, printing, etc. Newspapers would be included under Publications above.

Source: Dominion Bureau of Statistics.

) Radio and TV

) Total national TV gross billings in 1959, including C.B.C., amounted to \$48,300,000, according to C.A.B.

SUBSCRIPTION PRICE AND SINGLE-COPY PRICE

OF MAJOR CANADIAN PERIODICALS

	<u>Price per Copy on Newsstands</u>	<u>Price per Copy by Subscription</u>	<u>Price per Copy at the lowest rate allowed by A. B. C.</u>
The Reader's Digest (monthly)	35¢	33¢ (\$4.00 a year)	16.6¢
Canadian Homes (monthly)	25¢	20.8¢ (\$2.50 a year)	10.4¢
Mayfair (monthly in 1959)	50¢	40.2¢ (\$5.00 a year)	20.1¢
Saturday Night (bi-weekly)	20¢	15.4¢ (\$4.00 a year)	7.7¢
Le Samedi (weekly)	20¢	14½¢ (\$3.50 a year)	7.3¢
Chatelaine (monthly)	15¢	12½¢ (\$1.50 a year)	6.3¢
La Revue Populaire (monthly)	20¢	12½¢ (\$1.50 a year)	6.3¢
Liberty (monthly)	10¢	8.3¢ (\$1.00 a year)	4.2¢
Maclean's Magazine (bi-weekly)	15¢	11½¢ (\$3.00 a year)	5.8¢
Star Weekly Magazine (weekly)	15¢	-	-
Weekend Magazine (weekly)	Up to 5¢	-	-



1 THE MEMBERS AND NON-MEMBERS OF THE
2 PERIODICAL PRESS ASSOCIATION OF CANADA

3
4 What is the Periodical Press Association of Canada,
5 and for whom does it speak?

6 It is composed of three affiliated associations: The
7 Agricultural Press Assn., The Business Newspapers
8 Assn., The Magazine Publishers Assn.

9
10 On its Board of Directors (elected September 1960)
11 are:

12 Two representatives from Maclean-Hunter
13 Publishing Co. Ltd. (owners of 5 magazines in
14 English and French, 39 business and trade
15 papers in Canada, other business papers in
16 United States and Britain).

17 ---C.J. Laurin, Director of Maclean-Hunter,
18 Magazine Division

19 ---L.M. Hodgkinson, Publisher of Chatelaine,
20 La Revue Moderne

21 One representative from The Public Press
22 Ltd., (owners of "Canadian Cattlemen" and
23 "The Country Guide")

24 ---R. C. Brown, Publisher
25
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One representative from La Compagnie de
Publication Rurale Inc., (owner of "Le Bulletin
des Agriculteurs")

---J. L. Davis, General Manager, Le Bulletin
des Agriculteurs

One representative from National Business
Publications Ltd. (owners of 11 business and
trade papers)

---M.G. Christie, Publisher

The number of periodicals published in Canada as
listed by "Canadian Advertising" and the number
belonging to the Periodical Press Association are:

	<u>Total</u>	<u>Member</u> <u>P. P. A.</u>
Consumer Periodicals (of general or regional interest).	134	12
Business Periodicals	406	142
Farm Periodicals	27	4
Week-end Periodicals	8	Nil



1 A COMPARISON OF CANADIAN CIRCULATION OF U.S.
2 PUBLISHED AND CANADIAN PUBLISHED MAGAZINES
3 (THAT ARE A.B.C. AUDITED)

4 Summary

5
6 The following refers only to magazines audited
7 by A.B.C.

8 In 1959, there were 223 ABC-audited maga-
9 zines printed and published in the United States which
10 reported Canadian circulation in their publishers'
11 statements. In the same year, there were 30 ABC-
12 audited magazines printed and published in Canada.

13 In 1948, 187 U.S. magazines reported Canadian
14 circulation in their ABC publishers' statements, and
15 33 Canadian-published magazines were reported by
16 ABC.

17
18 The only in-Canada magazine circulation figures
19 available are through ABC statements - both for U.S.
20 and Canadian magazines.

21
22 Total U.S. overflow circulation of farm,
23 business-paper and non-ABC periodicals cannot be
24 estimated, for no reliable Canadian circulation figures
25 are available - nor are there any for non-ABC Cana-
26 dian magazines.



1
2 In the following table we have also shown
3 comparative circulation of Canada's five major
4 national weekend periodicals. American weekend
5 periodicals are not included because their circula-
6 tion in Canada is very small.

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8 A detailed list of the American and
9 Canadian magazines under consideration is
10 included in this section. (Refer to parts (b)
11 and (c) of this Appendix).

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Comparison of Canadian Circulation of U.S.-published and ABC-audited Magazines
With National Magazines and Weekend Periodicals Published in Canada.

1948 vs. 1959

	Overflow * U.S. Magazine ABC Circulation in Canada		Circulation ** ABC-audited Canadian Magazines		Circulation *** 5 Canadian Weekend Periodicals		Total Circulation Canadian National Magazines and Weekend Periodicals	
	Per Year	Per Month	Per Year	Per Month	Per Year	Per Month	Per Year	Per Month
1948	75,980,000	6,332,000	50,250,000	4,187,000	100,326,000	8,360,000	150,576,000	12,547,000
1959	135,000,000	11,300,000	57,800,000	4,816,000	178,425,000	14,870,000	236,225,000	19,686,000
% In- crease	73.7%		15%		78%		57%	

* Includes Time Magazine, printed and published in the United States

** Includes Reader's Digest, Canadian Editions, printed and published in Canada.

*** These are: Week-end Magazine (Eng. & Fr.), Star Weekly, La Patrie, La Presse and Le Petit Journal for 1959; 1948 figures include The Standard, replaced by Week-end Magazine in 1951.

NOTE: arm, Business and non-ABC publications could not be included because no reliable overflow figures are available.

(Circ. in Canada only)

Title	Issues Per Year	Last 6 mos. 1959.		Last 6 mos. 1948.		1948 Total
		Subs	Single	Subs (12)	Single	
Canadian Boating	10	5,313	813	2,256	1,754	48,120
Cdn. Geographical Journal	12	8,092	573	8,311	2,311	127,464
Cdn. Homes & Gardens	12	114,224	14,654	27,296	7,340	415,632
Cdn. Jewish Review	52	8,251	11	7,154	11	372,580
Chatelaine	12	691,360	46,564	281,682	21,418	3,637,200
Echoes	4	29,757	-	30,356	-	121,424
Forest & Outdoors	12	21,888	30	19,291	1,500	249,492
The Freemason	6	7,464	-	-	-	-
Home Building in Canada	6	3,313	3,965	3,823	4,834	51,942
Hunting & Fishing in Canada	12	27,094	27	15,519	1,941	209,520
La Revue Moderne	12	74,428	31,683	76,659	26,010	1,232,028
La Revue Populaire	12	65,079	39,191	37,396	34,765	865,932
La Voix Nationale	12	34,355	-	54,147	-	649,764
The Legionary	12	230,100	-	-	-	-
Le Samedi	30	28,313	49,256	26,391	49,080	3,924,492

Per Year	Subs	Single	Subs (18)	Single	Total	Total
Liberty *	12	430,686	162,426	247,507	168,118	7,481,250
Maclean's	26	454,973	39,259	306,897	24,767	7,959,936
Mayfair (statement not rec'd).	(1948) 12	-	-	11,673	3,988	187,932
	-	-	-	-	-	-
The Montrealer	12	18,213	2,035	(no statement)	242,976	-
Northwest Digest	6	1,555	2,667	-	25,332	-
Quebec Home & School	6	13,500	-	-	81,000	-
Radiomonde & Telemonde	52	1,959	39,194	1,072	18,096	996,736
The Reader's Digest	12	814,205	173,216	423,296	211,391	7,616,244
Relations	12	12,075	854	-	155,148	-
Rod & Gun in Canada	12	13,531	-	15,048	3,221	219,228
Saturday Night	26	71,322	4,300	38,629	2,639	2,145,936
Sport Revue	12	3,696	11,932	-	187,536	-
The Veterans Advocate	12	33,239	-	-	398,868	-
Vie Etudiante	17	30,567	5,532	(no statement)	613,683	-
Western Homes & Living	12	15,285	2,337	-	211,464	-
					<hr/>	<hr/>
					57,818,473	38,512,852
					= 4,818,206	11,733,753 - SEE PAGE 141
					per month	50,246,605
						= 4,187,217



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(Of U. S. ABC Magazines reporting Canadian circulation in 1948, 72 are no longer published).

ANGUS, STONEHOUSE & CO. LTD.
TORONTO, ONTARIO

MAGAZINE	ISSUES PER YEAR	SUBS.	NEWSTAND	TOTAL	1 YR. SUBS. IN CANADA	SINGLE COPY PRICE
24	12	50	6,422	6,472	1.00	.35
25	52	599	31	630	8.00	.20
26	52	736	59	795	8.00	.20
27	10	611	79	690	6.00	.75
28	12	7,123	-	7,123	3.00	.25
29	12	60,579	16,375	76,954	3.00	.35
30	12	816	-	816	1.50	.15
31	11	327	4	331	4.00	.60
32	12	58	30	88	5.50	.50
33	12	548	-	548	8.50	1.00
34	12	430	-	430	8.00	1.00
35	12	47,139	57,563	104,702	4.00	.35
36	26	18	-	18	7.50	.15
37	10	595	14	609	9.00	1.00
38	10	397	-	397	2.00	.25
39	12	11,638	2,072	13,710	7.50	.60
40	12	761	51	812	4.00	.50
41	52	2,354	43	2,397	15.00	.35

ANGUS, STONEHOUSE & CO. LTD.
TORONTO, ONTARIO

70

MAGAZINE	ISSUES PER YEAR	SUBS.	NEWSSTAND	TOTAL	1 YR. SUB. IN CANADA	SINGLE COPY PRICE
29	22	12	187	1,425	15.00	.35
30	12	978	1,983	2,961	3.50	.35
21	12	6,713	28	6,741	3.00	.25
22	3	346	3,441	3,787	2.00	.50
23	3	313	10,136	10,449	2.00	.50
24	52	13,421	-	13,421	6.00	.50
25	3	152	13,283	13,345	1.55	.50
26	52	39	-	39	2.00	.05
27	12	552	36,239	36,791	3.00	.25
28	12	12,152	11,151	23,303	4.00	.40
29	12	3,914	-	3,914	4.00	.35
30	52	261	-	261	7.00	.25
31	12	12	21,689	21,701	3.00	.25
32	8	Student 13,966 Teacher 1,305	-	Student 13,966 1,305	1.50 3.00	.25 .50
33	10	12,372	2,047	14,419	3.50	.35
34	12	115,037	-	115,037	2.00	.20
35	12	1	-	1	3.50	.35
36	9	-	16,574	-	2.25	.25

1959 Canadian Circulation

Per Issue

Circulation Prices

ISSUES

PER YEAR

MAGAZINE

1

2

3

SINGLE
COPY PRICE1 YR. SUB.
IN CANADA

TOTAL

NEWSSTAND

SUBS.

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Confidential Confessions

Coronet

Cosmopolitan

Cue

Daring Romances

Desert Magazine

Dag World

Down Beat

Dun's Review and Modern

Industry

Ebony

Electronics Illustrated

Electronics World

The Elks Magazine

Escapade

*Esquire

Extension

The Family Handyman

Field & Stream

The Financial World

Flower Grower

Flying

Forbes

For Men Only

Fortune

Front Page Detective

Glamour Incorporating Charm

Golf Digest

Good Housekeeping

Gourmet

Grade Teacher

Grit

*Everywoman's Family Circle

19,526

146,819

56,280

32

21,401

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1,013

1,554

3,902

1,298

8,976

13,960

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48,418

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16,183

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Confidential Confessions

Coronet

Cosmopolitan

Cue

Daring Romances

Desert Magazine

Dag World

Down Beat

Dun's Review and Modern

Industry

Ebony

Electronics Illustrated

Electronics World

The Elks Magazine

Escapade

*Esquire

Extension

The Family Handyman

Field & Stream

The Financial World

Flower Grower

Flying

Forbes

For Men Only

Fortune

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Good Housekeeping

Gourmet

Grade Teacher

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*Everywoman's Family Circle

19,526

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59

1,013

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16,183

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14,457

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34,072

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173,688

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315,663

19,525

53,890

55,610

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21,400

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6,122

20,432

9,395

14,775

21,311

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Confidential Confessions

Coronet

Cosmopolitan

Cue

Daring Romances

Desert Magazine

Dag World

Down Beat

Dun's Review and Modern

Industry

Ebony

Electronics Illustrated

Electronics World

The Elks Magazine

Escapade

*Esquire

Extension

The Family Handyman

Field & Stream

The Financial World

Flower Grower

Flying

For


 ANGUS, STONEHOUSE & CO. LTD.
 TORONTO, ONTARIO

72

ISSUES PER YEAR	SUBS.	NEWSSTAND	TOTAL	1 YR. SUB. IN CANADA	SINGLE COPY PRICE
1	2	3	4	5	6
28	12	5,459	5,548	\$ 5.00	\$.50
29	6	9,606	-	3.00	.50
30	12	7,732	13,477	5.00	.60
	12	4,464	5,709	6.00	.60
	6	-	3,459	8.00	2.00
	12	2,302	5,871	4.00	.35
	12	475	3,587	6.00	.60
	12	26,668	-	3.00	.25
	12	6,186	26,102	5.00	.50
	6	2,086	3,016	2.00	.35
	12	-	4,954	4.00	.35
	12	13,795	16,843	3.50	.35
	12	1	174	4.00	.35
	12	7,375	15,058	5.00	.50
	12	9,267	11,675	5.00	.50
	12	-	4,275	2.50	.25
	12	20,623	26,575	2.50	.25
	10	5	6,883	6.00	.75
	12	-	456	5.00	1.00
	12	17,490	-	3.00	.25
	12	230	282	6.00	.50
	52	227	245	7.00	.20
	12	8	-	3.00	.25
	12	200	740	3.00	.35
	12	-	4,907	1.20	.10
	38	-	14,900	2.00	.20
	12	-	235,617	3.50	.35
	12	118,475	281,810	5.95	.19
	52	50,837	24,989	1.50	.15
	11	-	20,007	4.00	.40
	12	9,412	156,981	5.00	.20
	26	33,740	61,458	3.00	.25
	12	-	-	-	-
	12	89	-	-	-
	6	-	-	-	-
	12	5,745	-	-	-
	12	1,245	-	-	-
	6	3,459	-	-	-
	12	3,569	-	-	-
	12	3,112	-	-	-
	12	-	-	-	-
	12	19,916	-	-	-
	6	930	-	-	-
	12	4,954	-	-	-
	12	3,048	-	-	-
	12	173	-	-	-
	12	7,683	-	-	-
	12	2,408	-	-	-
	12	4,275	-	-	-
	12	5,952	-	-	-
	12	6,878	-	-	-
	10	456	-	-	-
	12	-	-	-	-
	12	52	-	-	-
	52	18	-	-	-
	12	-	-	-	-
	12	540	-	-	-
	38	4,907	-	-	-
	12	14,900	-	-	-
	12	117,142	-	-	-
	12	230,973	-	-	-
	52	24,989	-	-	-
	11	10,595	-	-	-
	12	123,241	-	-	-
	26	61,458	-	-	-
	12	-	-	-	-

 MAGAZINE
 28
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 30

 Guns & Ammo
 Guns & Hunting
 Harper's Bazaar Incorporating
 Junior Bazaar
 Harper's Magazine
 Harvard Business Review
 Hi-Fi Review
 High Fidelity
 Hit Parade
 Holiday
 The Home Craftsman
 Horticulture
 Hot Rod Magazine
 Hounds and Hunting
 House and Garden
 House Beautiful
 The Improvement Era
 Inside Detective
 The Instructor
 International Management Digest
 Intimate Story
 Investor's Future with
 Investment World News
 Jet
 Jive
 Journal of Lifetime Living
 Junior Scholastic
 The Kiwanis Magazine
 Ladies' Home Journal
 Life
 The Lion Magazine
 Living for Young Homemakers
 Look
 *Hit Parade & Song Hits
 Combination



ANGUS, STONEHOUSE & CO. LTD
TORONTO, ONTARIO

MAGAZINE	SUBS.	PER YEAR	CIRCULATION PER ISSUE	TOTAL	NO. OF ISSUES IN CANADA	COPY PRICE
Mademoiselle	9,321	12	-	18,975	\$ 5.00	.59
The Magazine of Wall St. & Business Analyst	74	26	-	74	20.00	.85
Male	-	12	48,992	-	3.25	.25
Man's Magazine	-	12	14,873	-	4.20	.35
Master Detective	69	12	17,218	-	3.00	.25
McCall's	115,823	12	117,193	17,287	3.00	.35
McCall's Pattern Fashions	335	4	32,016	233,016	1.40	.35
Mechanix Illustrated	38,200	12	35,352	32,371	3.00	.25
Men	-	12	27,746	73,552	3.25	.25
The Model Railroader	1,042	12	3,302	-	6.00	.50
Model Trains	398	6	2,073	4,344	2.00	.35
Modern Bride	5,707	6	7,700	2,471	3.00	.60
Modern Photography	6,274	12	6,877	13,151	4.00	.40
Modern Romances	24,656	12	46,457	71,113	2.50	.25
Modern Screen	33,804	12	80,933	114,737	2.50	.25
Motion Picture	18,585	12	46,895	65,480	2.50	.25
Motor Boating	756	12	1,373	2,129	5.00	.50
Motor Life	372	12	11,516	11,888	3.50	.35
Motor Trend	2,099	12	14,753	16,852	3.50	.35
Movie Land & TV Time	16	12	16,702	16,718	3.00	.25
Movie Life	-	12	25,326	-	3.00	.25
Movie Mirror	-	12	19,073	-	3.00	.25
Movie Stars-TV Close-Ups	-	12	25,948	-	3.00	.25
Movie World	-	6	24,955	-	1.60	.25
My Love Secret	-	6	16,743	-	.90	.15



ANGUS, STONEHOUSE & CO. LTD.
TORONTO, ONTARIO

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1959 Canadian Circulation

Per Issue

Circulation Prices

MAGAZINE	ISSUES PER YEAR	SUBS.	NEWSSTAND	TOTAL	1 YR. SUB. IN CANADA	SINGLE COPY PRICE
National Farm & Garden Mag.	12	97,480	216	97,696	8.00	1.00
The National Geographic Magazine	12	40	1	41	7.00	.75
The National Horseman	11	11,495	-	11,495	1.50	.25
The National Jewish Monthly	12	407	-	407	6.50	.50
Nation's Business	52	37,615	15,986	48,601	6.00	.25
Newsweek	52	8,514	5,311	13,825	8.00	.25
The New Yorker	12	652	11,225	11,877	3.50	.25
Official Detective Stories	24	5	-	5	6.25	.25
Our Navy	52	3,136	50,878	54,014	3.50	.05
Our Sunday Visitor	12	23,435	26,338	49,773	3.40	.35
Outdoor Life	12	88,179	490	88,669	3.50	.40
Parents' Magazine and Better Homemaking	12	-	19,046	-	3.50	.25
Personal Romances	12	38,012	65,115	103,127	2.50	.25
Photoplay	12	6,968	55,801	62,769	6.00	.50
Playboy	12	2,380	3,495	5,875	4.00	.50
Popular Boating	12	491	33	524	4.00	.35
Popular Dogs	12	6,341	10,658	16,999	4.00	.35
Popular Electronics	12	7,945	2,714	10,659	3.50	.35
Popular Gardening	12	48,590	54,645	103,235	3.50	.35
Popular Mechanics	12	11,731	10,777	22,508	4.00	.50
Popular Photography	12	28,011	31,705	59,716	3.40	.35
Popular Science Monthly	12	223	-	223	2.50	.20
Popular Science Life	12	591	-	591	4.00	.25
The Priest	12	132	-	132	5.00	.50
Pure-Bred Dogs - American	12	3,062	7,118	10,180	4.00	.35
Kenel Gazette	6	169	2,187	2,356	2.50	.50
Radio Electronics	12	361	1,432	1,793	5.00	.50
Railroad Magazine	12	884	253	1,137	4.00	.35
Railroad Model Craftsman	12	-	16,612	-	4.00	.25
Roadster's Digest	11	-	19,512	-	2.80	.15
Real Confessions	12	-	-	-	-	-
Real Romances	11	-	-	-	-	-



ANGUS, STONEHOUSE & CO. LTD.
TORONTO, ONTARIO

1959 Canadian Circulation
Per Issue

Circulation Prices

MAGAZINE	ISSUES PER YEAR	SUBS.	NEWSTAND	TOTAL	1 YR. SUB.		SINGLE COPY PRICE
					IN CANADA		
Real Story	11	-	17,860	-	\$ 2.80	\$.15	
Redbook Magazine	12	51,422	123,645	175,067	3.00	.35	
The Reporter	26	4,144	162	4,306	6.00	.25	
Revealing Romances	12	5	24,151	24,156	1.80	.15	
Red and Track	12	2,410	8,479	10,889	5.00	.50	
The Rotarian	12	20,462	-	20,462	2.00	.25	
The Rudder	12	737	597	1,334	4.00	.50	
Saga	12	299	29,996	30,295	3.00	.25	
The Saturday Evening Post	52	136,627	94,037	230,664	6.00	.15	
The Saturday Review	52	2,137	937	3,074	8.00	.25	
Scholastic Magazines	38	12,089	-	12,089	1.30	.10	
Science	52	1,181	-	1,181	9.25	.35	
Science and Mechanics	6	2,762	34,758	37,520	1.25	.25	
Science News Letter	52	525	-	525	5.50	.15	
Scientific American	12	5,285	3,266	8,551	6.00	.50	
Scouting	9	123	-	123	1.00	.10	
Screenland Plus TV Land	6	-	21,557	-	1.60	.25	
Screen Stars	12	-	29,147	-	3.25	.25	
Screen Stories	12	6,754	35,362	42,116	2.50	.25	
Sea and Pacific Motor Boat	12	1,044	364	1,408	5.00	.50	
Secrets	12	14	38,356	38,370	2.40	.20	
Seventeen	12	7,993	46,748	54,741	4.00	.35	
The Sign	12	12,263	1,371	13,634	4.00	.35	
Silver Screen	6	-	26,808	-	1.60	.25	
Simplicity Pattern Book	3	348	13,237	13,585	1.50	.50	
Ski Magazine	6	1,837	1,644	3,481	3.00	.50	
The Skipper	12	450	25	475	4.00	.40	
Sports Afield	12	12,468	24,506	36,974	3.00	.25	
Sports Cars Illustrated	12	18,220	16,056	34,276	3.50	.35	
Sports Illustrated	12	2,419	6,628	9,047	4.00	.50	
Sports Illustrated	52	31,242	4,074	35,316	7.50	.25	



ANGUS, STONEHOUSE & CO. LTD.
TORONTO, ONTARIO

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MAGAZINE	ISSUES PER YEAR	SUBS.	NEWSSTAND	TOTAL	1 YR. SUB. IN CANADA	SINGLE COPY PRICE
Street & Smiths Three Star Ed.	12	26,026	32,452	58,478	4.00	.40
Strat	12	19	44,411	13,295	3.25	.25
Suns	12	29,298	287	297	3.00	.25
Teen	12	4,592	13,843	18,435	3.50	.25
*Teen Digest	10	10,642	2,170	12,812	3.50	.35
Together	12	1	-	1	2.00	.50
Town & Country	12	635	356	991	8.00	.75
Trains	12	473	1,164	1,637	6.00	.50
True	12	70,546	83,642	154,188	4.00	.35
True Confessions	12	26,208	71,643	97,851	2.50	.25
True Detective	12	691	31,832	32,523	3.00	.25
True Experience	12	66	39,848	39,914	2.00	.20
True Love	12	38	36,633	36,671	2.00	.20
True Romance	12	16,416	40,303	56,719	2.50	.25
True Story	12	103,421	143,647	247,068	5.00	.15
TV Guide	52	49,455	315,137	364,592	3.00	.25
TV and Movie Screen	12	-	11,164	-	4.00	.25
TV Radio Mirror	12	1,874	15,180	17,054	3.50	.25
TV Star Parade	12	-	10,836	-	1.40	.15
Uncensored Confessions	6	-	18,598	-	4.00	.40
U.S. Camera combined with Travel & Camera	12	6,212	4,827	11,039	6.00	.25
U.S. News & World Report	52	6,776	3,031	9,807	1.00	.10
V.F.W. Magazine	12	92	-	92	8.50	.60
Vogue, Incorporating Vanity Fair	24	15,146	9,103	24,249	3.00	.50
Vogue Pattern Book	24	3,457	14,933	18,390	4.00	.50
The Western Horseman	12	2,505	4,342	6,847	1.50	.20
Westways	12	32	-	32	2.50	.15
The Workbasket	12	5,270	848	6,118	2.50	.35
Workbench	6	101	263	364	5.50	.50
Yachting	12	1,613	1,749	3,362	7.00	.25
*Time	52	164,717	38,439	203,156	None	.10
Woman's Day	12	-	226,597	226,597	1.60	.10
Young Catholic Messenger	52	30,215	-	30,215	134,859,402 per year av.	11,300,000 " " mo.
GRAND TOTAL		2,918,360	4,189,023	7,107,383		



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3 ---EXHIBIT NO. 0-35-60: Samples of articles
4 from February 1922 to
5 October 1960.

6 MR. ZIMMERMAN: Mr. Chairman, page 64 ,
7 line 12, I should like to change the figure "66.8%"
8 to read "43.5%".

9 Mr. Chairman, page 64, line 14, I should
10 like to change the figure "15.4%" to read "25%".

11 Mr. Chairman, page 65, line 19, I should
12 like to change the figure "142%" to read "107%".
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2 THE CHAIRMAN: Mr. Zimmerman, at the
3 outset of this very wonderful brief of yours
4 you said it was a composite production.

5 MR. ZIMMERMAN: Yes.

6 THE CHAIRMAN: I think I could hazard
7 a guess about the authorship of those last ten
8 paragraphs which you have just read to us.

9 MR. ZIMMERMAN: Yes.

10 THE CHAIRMAN: My colleagues and I have
11 considered most carefully the remarks which are
12 contained in the conclusion of your submission and
13 which refer to the litigation presently pending
14 between the Crown and the Reader's Digest Associa-
15 tion (Canada) Limited.

16 We are concerned lest an attempt be made
17 to inhibit our inquiry.

18 We have no intention to interfere with
19 the course of the administration of justice; no
20 desire to cause prejudice to any judicial proceeding
21 or any party that may be before the courts. Indeed,
22 we can find nothing relevant to this investigation
23 in the questions at issue between the Crown
24 and the Reader's Digest Association (Canada)
25 Limited.

26 In this, as in all matters, we will
27 be guided by our terms of reference as they are
28 contained in the Commission and order-in-council
29 appointing us. In so far as the tax may be
30



1
2 concerned, we feel free - and we believe that
3 participants should feel free - to discuss it.

4 More especially we do not believe that
5 we are precluded from inquiring into courses of
6 action to regulate the publishing industry, or a
7 sector of that industry, whether by the imposition
8 of a tax or by any other method. We will resist
9 all attempts by any participant to circumscribe the
10 studies of the Commission in this regard. To do
11 otherwise would be to render the Commission impotent,
12 its work meaningless and its report worthless.

13 Now would you mind answering a few
14 questions?

15 MR. ZIMMERMAN: Certainly.

16 COMMISSIONER JOHNSTON: I go along
17 with Mr. O'Leary's comment that this is a good
18 brief. I have no criticism, but I have a few
19 questions merely for matters of elucidation.

20 Perhaps the most important matter from
21 the point of view of anyone else trying to
22 publish a magazine in Canada is the fact that
23 your Company, while it is in every respect a
24 Canadian operation, has advantages, or seems
25 to have advantages in the cost of editorial
26 material. I would like to know, and I think the
27 Commission would like to know the cost per
28 issue and the cost per article of some one issue.
29 I notice in October 1960 on Page 10 there is an
30



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2
3 advertisement, a house ad, asking people to send
4 in material. The cost price would be \$2,500 and
5 there is \$100 for contributions of "Life's Like
6 That", \$100 for humour, \$10 for Picturesque Speech --
7 I would think it would be worth more, but
8 that is your business -- and Personal Glimpses
9 \$10 and so forth.

10 There is a formula I believe between
11 your costs applied in Montreal and the costs
12 applied at the home office. Can you tell me
13 what the difference is?

14 MR. ZIMMERMAN: Yes, I can answer that
15 question in part. I did not come prepared today,
16 Mr. Johnston, to answer in some detail the question
17 relative to the page costs of editorial material.
18 However, I am aware of the normal price paid
19 for articles by the Digest, which I think is
20 pertinent in your mind. I might reply to that
21 question by saying that we pay for Digest articles
22 between \$1500 and \$2,500. However, not unlike
23 the reply that was given by one of our other
24 magazine principals here earlier in the enquiry,
25 we pay above that for certain articles.

26 COMMISSIONER JOHNSTON: I wonder if
27 you have the point. I would like to know how
28 much Reader's Digest of Canada pays for these
29 articles. Here is this article "Murder by Aeroplane,"
30



1
2 May 1960. How much was charged to the Montreal
3 Office for that?

4 MR. ZIMMERMAN: It is not charged on
5 a per article basis. The formula that we did
6 disclose in our brief, which is completely factual,
7 is that we pay for our editorial material from
8 the centre pool on the basis of pro rata charge
9 to the percentage of the total circulation (namely
10 21 million) by which the Canadian Company's
11 circulation is represented.

12 COMMISSIONER JOHNSTON: Then you would
13 pay about 5 per cent?

14 MR. ZIMMERMAN: Approximately, yes.
15 For the purpose of the record I might say that
16 this pro rata formula basis is not up-dated each
17 year, it is up-dated when there is a significant
18 growth in circulation. Actually it would be
19 closer to three to four per cent because it is
20 the circulation over the last two to three years.

21 COMMISSIONER JOHNSTON: Do you think a
22 Canadian magazine for publication in Canada
23 only could buy editorial material in competition
24 with Reader's Digest?

25 MR. ZIMMERMAN: Yes, I do think so, in
26 the sense that in the brief we point out that
27 it is our policy to use the means, if you will,
28 of the Reader's Digest to purchase articles from
29 other magazines and thus you might say there is
30

The first part of the report
concerns the general situation
of the country and the
state of the economy.
It is a very interesting
and informative document
which gives a clear picture
of the country and its
people. The report is
written in a simple and
clear style and is easy
to read. It is a very
useful document for
those who are interested
in the country and its
people.

REPORT ON THE SITUATION OF THE COUNTRY

The second part of the report
concerns the state of the
economy and the financial
situation of the country.
It is a very interesting
and informative document
which gives a clear picture
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clear style and is easy
to read. It is a very
useful document for
those who are interested
in the country and its
people.



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3 subsidy involved in the sense of those articles
4 we have purchased. In addition we feed a number
5 of articles to a number of magazines and in fact
6 do not recover a high percentage at all of the
7 articles' preparation cost.

8 COMMISSIONER JOHNSTON: Have you had
9 many such articles in, say, the last two years?

10 MR. ZIMMERMAN: Pardon me, is your
11 question reflecting Canada?

12 COMMISSIONER JOHNSTON: Yes. Have you
13 bought through or bought from any Canadian magazines
14 any significant number of articles in the last
15 two years?

16 MR. ZIMMERMAN: I think we have. I
17 think I can probably take you to the appendix
18 and make my answer a little more informative.

19 Looking at pages 2 to 5 in the appendices
20 section of our submission one sees that we actually
21 list for the most recent years the stories we
22 have picked from Canadian magazines. Would you
23 like me to read this?

24 COMMISSIONER JOHNSTON: I think it would
25 be useful. Would you be able to name the magazine
26 from which you picked them?

27 MR. ZIMMERMAN: Yes, they are listed.
28 I can inform you as we go what we paid for the
29 article, if that is of pertinent interest at this
30 time.



ANGUS. STONEHOUSE & CO. LTD.
TORONTO, ONTARIO

Zimmerman

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2
3 In 1959, Reader's Digest picked up the
4 following 17 articles from Canadian magazines:
5 January, The Pealing of Bells, Atlantic Advocate;
6 we paid \$1800 for this article. For the record --
7 I think I am well informed -- we placed this
8 article with the Atlantic Advocate rather than
9 in the sense of them having created it in the
10 first instance. In February, Hard Reading Made Easy,
11 Mayfair; we paid \$1500 for this article.
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3 Would you like me to state in all cases
4 whether we placed them or picked them up from
5 the magazine that placed them?

6 THE CHAIRMAN: I don't think it makes
7 much difference.

8 COMMISSIONER JOHNSTON: Were these
9 articles which were published in current magazines?

10 MR. ZIMMERMAN: Pardon me?

11 COMMISSIONER JOHNSTON: These were articles
12 which were published...

13 MR. ZIMMERMAN: They were articles cir-
14 culated in our pool.

15 COMMISSIONER JOHNSTON: They went into
16 the pool?

17 MR. ZIMMERMAN: Yes, sir.

18 March: Eavesdropping behind the Iron
19 Curtain, Atlantic Advocate. The fee that we
20 paid for this article originally was \$1800.

21 COMMISSIONER JOHNSTON: \$1800?

22 MR. ZIMMERMAN: \$1800.

23 THE CHAIRMAN: How many words are in
24 these articles, roughly? If you haven't got
25 it there that is all right.

26 MR. ZIMMERMAN: I could give you an
27 estimate, if you wish.

28 THE CHAIRMAN: Three thousand words,
29 fifteen hundred?

30 MR. ZIMMERMAN: Three thousand, sir.



1
2 April, Bearer is Hemophiliac, Liberty and
3 Oh Mother, Chatelaine. May: Coffee, This Instant
4 Upstart, Mayfair. Bottle Overboard, Atlantic
5 Advocate.

6 THE CHAIRMAN: You have no prices on
7 those?

8 MR. ZIMMERMAN: I will give them in
9 each case. We have them. In the case of the
10 Liberty article we paid \$3,000 for the article.
11 In the case of the article in Chatelaine, which
12 was "Oh, Mother", we paid \$400 to the author
13 and \$400 to Chatelaine.

14 May: Coffee, This Instant Upstart,
15 Mayfair, We paid \$1800 for that article.

16 Bottle Overboard, Atlantic Advocate,
17 we paid \$2,000 for that article.

18 June, Sing a Song of Stereo, Saturday
19 Night, we paid \$2500 for that article.

20 July, Antwerp's Glitter Street:
21 World Diamond Centre, Mayfair.

22 THE CHAIRMAN: Mr. Zimmerman, who gets
23 the \$1800, as the case may be, the writer of the
24 article or the magazine which publishes it?

25 MR. ZIMMERMAN: It could be one or the
26 other, or sometimes both, sir. Let me explain
27 it this way. If we have originally had the article
28 written and then offered it to a magazine who then
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2 reproduced it and in turn we reproduce and condense
3 it in our magazine -- in that case we would pay
4 originally the writer. He might be a staff
5 writer or not. In another combination, or the
6 alternative combination you would have the
7 situation where we in fact do, through our editorial
8 screenings of magazines and general periodicals
9 find an article of interest to us and buy it
10 and reduce the article by condensation and re-running
11 -- that combination is different in the sense
12 of how the money will flow and the transaction
13 will be carried out.

14 THE CHAIRMAN: In how many cases would
15 the author be a Canadian and how many cases,
16 American?

17 MR. ZIMMERMAN: I am afraid I am not
18 qualified to answer that now, sir.

19 THE CHAIRMAN: But you would and you
20 might send a writer from Pleasantville, or somewhere
21 in the United States to do this article in Canada?

22 MR. ZIMMERMAN: We could, sir.

23 THE CHAIRMAN: You actually do?

24 MR. ZIMMERMAN: Yes, we have done it,
25 sir. In another case I will also say as you will
26 notice in the brief when we were discussing the
27 Canadian editorial policy, that we use our own
28 Canadian editors to encourage Canadian writers
29 to write about Canada.
30



1
2 THE CHAIRMAN: Can you tell us, sir,
3 how many original articles by Canadian writers
4 you published last year?

5 MR. ZIMMERMAN: I can't reply to that
6 specifically. However, I could tell you how
7 many articles over the last two or three years
8 have been Canadian. Those could be either Canadian
9 written or Canadian oriented and they would average
10 approximately eight articles per year, sir.

11 COMMISSIONER JOHNSTON: Antwerp's Glitter
12 Street: World -- that is one I don't know.

13 MR. ZIMMERMAN: It is one article. I
14 wasn't reading it correctly. It was, July:
15 Antwerp's Glitter Street: World Diamond Centre,
16 Mayfair.

17 COMMISSIONER JOHNSTON: How much did
18 you pay for that one?

19 MR. ZIMMERMAN: \$2500.

20 COMMISSIONER JOHNSTON: Are there occasions
21 when the publisher would decide whether he would
22 keep the money or pass it on to the author, or
23 do you have any control of that? Do you try and
24 direct it?

25 MR. ZIMMERMAN: We try and control it
26 in fairness to both parties. In one of the cases
27 I mentioned I listed a case of an article in
28 Chatelaine in April which was "Oh, Mother" where
29
30



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3 we paid the author \$400 and we paid Chatelaine
4 \$400.

5 COMMISSIONER JOHNSTON: That was a
6 case where you actually paid both. These other
7 cases, apparently, the money went in one lump
8 to the publisher.

9 MR. ZIMMERMAN: No, directly to the
10 author, sir, in those cases.

11 COMMISSIONER JOHNSTON: To the author?

12 MR. ZIMMERMAN: Yes, sir. Would you
13 like me to proceed with my reading?

14 August: Britain's Bobbies Feel Safer
15 Unharmed, Mayfair. We paid \$1500.

16 THE CHAIRMAN: We have the situation
17 now.

18 COMMISSIONER JOHNSTON: We have the
19 pattern on them now.

20 This morning, I think you were in the
21 room when I read something from Time's first
22 Canadian edition, in which they said that they
23 wanted to print in Canada in 1943, but the
24 Dominion Government did not want any new
25 publishing ventures started there until after the
26 war. You pointed out you first printed in Canada
27 in 1943?
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MR. ZIMMERMAN: That is correct, sir.

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COMMISSIONER JOHNSTON: Did you have
more drag with the paper controller than Time?
What happened?

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MR. ZIMMERMAN: I do not know, sir.
That was before my time, and the information
I have is our own records. I simply know we
did publish the American edition in Canada,
starting in 1943. We later followed that with
the French Canadian edition, Selection du
Reader's Digest in 1947 and in 1948 the English
Canadian edition.

15

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COMMISSIONER JOHNSTON: Did you, at
any time, print in Canada part of the U.S. edition?

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MR. ZIMMERMAN: I think there have
been occasions, but I would want to check that
statement.

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COMMISSIONER JOHNSTON: It came up
a few days ago and if you have the information
I would like to learn it.

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MR. ZIMMERMAN: I can clear that
particular situation up. A comment was made
by another party earlier in the Commission's
hearing which I believe, left the impression
that Reader's Digest in Canada did print some
material for Reader's Digest in the U.S.
I did have the opportunity of back checking



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3 to see what the situation was at that time.
4 This was not the magazine. This was a condensed
5 book. We actually did print a very small amount
6 of condensed book material at that time, and
7 then in returning this material to the U.S.,
8 we ran into some difficulty with tariffs. I
9 have yet to be informed of the difficulty.

10 COMMISSIONER JOHNSTON: Now, on Page 17,
11 Paragraph 20 you said: "In Brazil, the licensing
12 arrangement was made in answer to restrictions
13 against the ownership of publishing enterprises
14 by any but Brazilian citizens, a restriction
15 which applies to many other industries".

16 Are you able to live with that situation?

17 MR. ZIMMERMAN: In Brazil, sir?

18 COMMISSIONER JOHNSTON: Yes.

19 MR. ZIMMERMAN: Yes, we publish in
20 Brazil, sir, through Brazilian citizens'
21 ownership of the particular operation there.

22 COMMISSIONER JOHNSTON: You probably
23 could live with a similar situation in Canada?

24 MR. ZIMMERMAN: I would hesitate to
25 reply in the affirmative to that question,
26 sir. I do not know whether we could.

27 COMMISSIONER JOHNSTON: You would not
28 say we are more difficult to get along with
29 than the Brazilians?
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3 MR. ZIMMERMAN: No, sir, as a Canadian,
4 I wouldn't.

5 I might make one statement there:
6 our practice in Canada, I think, is borne out by our
7 playing a full corporate part in Canada, for
8 the economic benefit to Canada, to the point
9 where we can continue to operate as a Canadian
10 corporation, as we are now doing, sir.

11 COMMISSIONER JOHNSTON: I notice some-
12 where else in the brief where you say you hope
13 shortly to have the majority of your Board of
14 Directors Canadians.

15 MR. ZIMMERMAN: Yes, sir.

16 COMMISSIONER JOHNSTON: Is that going
17 to have any fundamental difference in the management
18 of the company?

19 MR. ZIMMERMAN: Yes, I think it will
20 make quite a contribution to the Canadian company
21 in the sense that a Canadian attitude, I
22 think, has already been felt in the steps and
23 the chain links that have been taken, that were
24 culminated by my appointment as a Canadian.

25 COMMISSIONER JOHNSTON: Are you the
26 first Canadian appointment?

27 MR. ZIMMERMAN: I am, yes, sir.

28 THE CHAIRMAN: Not a change to the
29 point of Canadians buying equities in the company?
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MR. ZIMMERMAN: In the case of senior executives we have been working on it for over a year.

THE CHAIRMAN: I know.

COMMISSIONER JOHNSTON: Have you had any criticism from other less prosperous companies about your practice of long holidays and better pensions than anybody else has?

MR. ZIMMERMAN: Not specifically, sir.

COMMISSIONER JOHNSTON: That is one of the difficulties in some industries where one company is very prosperous and they set a pattern that makes it much more difficult for other companies to follow.

Your eight articles from Canadian sources would not be a great help, would they, to the five or six or ten magazines of general circulation in Canada?

MR. ZIMMERMAN: Well, they are of help, sir, but that is by degree, of course.

To qualify my reply, I really didn't say these were from Canadian sources. I said eight articles about Canada, sir.

COMMISSIONER JOHNSTON: These articles appearing in the United States?

MR. ZIMMERMAN: I might point out also, if I might, that the eight articles I have mentioned on Canada that appeared in the Digest



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2 were taken as an average over several years.
3 The trend I depicted previously, and the stories
4 picked from Canadian magazines in page 2 of my
5 appendix, shows a much greater degree of Canadianism
6 in the sense of Canadian articles than the
7 eight would reflect.

8 COMMISSIONER JOHNSTON: The Canadian
9 edition of the Digest was the first edition that
10 carried advertising; is that correct?

11 MR. ZIMMERMAN: No, I do not think that
12 is correct. We carried it in Canada in advance
13 of the U.S. edition, but there were other interna-
14 tional editions that preceded Canadian editions
15 carrying advertising, sir.

16 COMMISSIONER JOHNSTON: Skipping way
17 over to Page 64, national advertising revenues
18 in Great Britain. I am wondering about ~~that~~ and that is
19 the only place in your whole brief that I question the
20 ~~fairness~~ - the fairness of the statement, but it
21 shows advertising revenue for television in 1952
22 as nil and by 1959 reaching 39 per cent. Is that
23 not an indication of the percentage running away
24 with the facts, if television in Britain was going
25 to get any revenue it would affect the advertising
26 percentage received by other media, so that to
27 say that the magazine revenue was only up 18
28 per cent is somewhat misleading.

29 MR. ZIMMERMAN: May I take the liberty,
30



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3 sir, to give you my interpretation of those
4 figures briefly. These figures do not depict
5 necessarily the gross, as we have shown that other
6 than the percentage basis. These percentage figures
7 on this page reflect the percentage total of
8 each one of these. So, what we were trying to
9 bring out here was, not only that television
10 grew, but the significance and its effect as a
11 percentage of the total advertising revenue in
12 Great Britain. Whereas, directing my comments
13 specifically to the advertising revenue for
14 television, where it was nil in 1952, in 1959
15 it took a 35 per cent share. One-third of the
16 total available advertising revenue, borne out
17 by these figures, was not available to other
18 advertising media; whereas, the advertising
19 revenue for all magazines, as a share, dropped
20 from 34 per cent in 1952 to 18 per cent in 1959.

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21 COMMISSIONER JOHNSTON: That, of course,
22 was also true of the national and provincial
23 newspapers?

24 MR. ZIMMERMAN: Yes.

25 COMMISSIONER JOHNSTON: From 66 per cent
26 to 47 per cent?

27 MR. ZIMMERMAN: Yes; but, not nearly
28 in the same degree, I might point out.

29 COMMISSIONER BEAUBIEN: To get back
30 to advertising, Mr. Zimmerman, does your American

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2 edition carry advertising?

3 MR. ZIMMERMAN: Yes, sir.

4 COMMISSIONER BEAUBIEN: It did not always,
5 though, did it?

6 MR. ZIMMERMAN: No, sir.

7 COMMISSIONER BEAUBIEN: You carried on
8 for a good number of years without advertising?

9 MR. ZIMMERMAN: Yes. I believe it
10 was in 1955 that they started taking advertising.

11 COMMISSIONER BEAUBIEN: In 1955?

12 MR. ZIMMERMAN: Yes, sir.

13 COMMISSIONER BEAUBIEN: How were your
14 profits when you were not carrying advertising,
15 as compared to the profits now when you are
16 carrying advertising? You must have carried
17 on fairly successfully for a good number of years
18 without carrying advertising?

19 MR. ZIMMERMAN: Yes. You see, the history
20 of the company was that until we published
21 Canadian editions in Canada, we did not carry
22 Canadian advertising. It was the U.S. edition
23 that we were circulating in Canada that advanced
24 the actual printing in Canada, the publishing
25 in Canada of English and French Canadian editions.
26 So, literally, we have never been in the position
27 in Canada of having had a Canadian edition that
28 did not take advertising.
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3 However, to avoid being general on this
4 question and give you some indication of what
5 you are asking, if I might, I will use the U.S.
6 edition as an example. I think my company in
7 the U.S. were faced with the consideration of
8 conceivably pricing themselves out of the popular
9 magazine market, or taking the advertising, and
10 they decided, after a survey of, I believe, a
11 high percentage of your total subscribers at
12 that time, based on their subscribers' opinion,
13 that they in the main would not abhor, if you
14 will, advertising in the Digest and a considerably
15 high percentage would prefer it. We decided
16 ~~rather than~~ to increase the copy, perhaps to
17 the point where we would seriously affect the
18 circulation, to take advertising.

19 COMMISSIONER BEAUBIEN: On Page 5 of
20 your brief, at line 15, it states: "To help
21 understand why the Digest is complimentary to,
22 and does not compete with, other periodicals...".
23 I imagine you would grant that it does compete
24 ~~for~~ the reading time and certainly does compete
25 with the advertising which is available?

26 MR. ZIMMERMAN: Would you like a
27 reply to that, sir?

28 COMMISSIONER BEAUBIEN: Yes.

29 MR. ZIMMERMAN: I would say there were
30 three rudiments, or sections of the competition



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3 that we may evaluate. The first is editorial.
4 The second is circulation and the third, probably,
5 is advertising revenue. In the case of editorial
6 material, I do not think we compete with any
7 magazine. In the case of circulation, I do
8 agree that we compete for reader time. In the
9 case of advertising revenue, I do not think,
10 using industry in general as a standard, that
11 we compete to any greater degree whatsoever than
12 normal competition within any industry.

13 I might give you an example of this
14 situation. There are a number of corporations
15 in Canada who draw for their product design
16 from sources other than Canada and they pay
17 royalties, technical assistance service charges,
18 etc., for this particular material and they are
19 facing Canadian corporations.

20 In the case where there is a foreign
21 affiliation of this company, this technical
22 assistance flows easily and there is a cost
23 involved in it, not including our own costs
24 for the editorial material in our own particular
25 magazine case. Where there is no foreign
26 affiliation direct, then the Canadian company
27 has, in order to evolve a cost on product design,
28 that reflected in the consumer price, would
29 increase its sales in Canada, have made arrange-
30 ments with other companies not directly affiliated.



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2 In the sense of using that as a standard, the
3 industry competitive factor, generally, in Canada --
4 I do not think, and, frankly, I am convinced that
5 we are not unfair competition.

6 COMMISSIONER BEAUBIEN: On Page 14,
7 at line 10, it says: "Every article printed in
8 one of the international editions of the Digest
9 must appear in its original text...". Of course,
10 through that, you control the editorial material
11 which goes into your various foreign editions,
12 because your foreign editions can only draw from
13 the pool, and the pool means articles that have
14 been published, or, are going to be published
15 at the same time. Is that right?

16 MR. ZIMMERMAN: That is right. They
17 either have been published or are being published
18 at the same time.

19 COMMISSIONER BEAUBIEN: On the other
20 hand, your individual editors are left the
21 choice of selecting out of that pool any articles
22 which they need or which they want for the material
23 in their editions?

24 MR. ZIMMERMAN: That is correct.

25 COMMISSIONER BEAUBIEN: Are they left
26 fairly free to pick what they want?

27 MR. ZIMMERMAN: Yes. I would say they
28 were, sir.

29 COMMISSIONER BEAUBIEN: On Page 15, at
30



1
2 line 15, you state: "In each country where a
3 Digest edition is published, every effort has
4 been made to obtain the best available editorial
5 staff. It is the task of these men and women
6 to select the articles for their editions, to
7 adapt and adjust those articles for their own
8 audience, to procure and perfect. transiations
9 if needed...", etc. Well, there seems to be
10 an inconsistency there, because you are giving
11 some authority to your local editors to change --
12 I won't use the word "slant" -- some of these
13 articles to suit themselves, or to suit their
14 edition? Am I making myself clear?

15 MR. ZIMMERMAN: Yes. I think I am
16 reading you pretty well, sir.

17 Our editors carry out a function identical
18 with what has already been read into the record
19 and what you have just read there; but, to broaden
20 that, I would say that they are given latitude to
21 change the language, as required, without changing
22 the story. So, this is, if you will, respect
23 for the home language within the country you operate,
24 more than in the sense of changing a story text
25 or the impression that the original author wished
26 to leave in his story-telling.

27 THE CHAIRMAN: There sometimes are
28 footnotes?
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3 MR. ZIMMERMAN: Yes, sir. I do not
4 know whether I am reading something into your
5 question or not, but this, in no sense, ~~is~~ with
6 a view to trying to convert a unique article
7 of international interest into a national article.

8 COMMISSIONER BEAUBIEN: On page 63,
9 again, at line 15, you state: "Similarly,
10 the advertising revenue increase for leading
11 Canadian magazines is impressive by comparison
12 with United States and British publications."
13 That is far from being the whole story. Sometimes
14 the more you sell, the more you lose?

15 MR. ZIMMERMAN: Yes. I quite agree.

16 COMMISSIONER BEAUBIEN: So that there
17 is a distinction to be drawn between sales and
18 profit?

19 MR. ZIMMERMAN: Yes.

20 COMMISSIONER BEAUBIEN: You should not
21 place too much on that?

22 MR. ZIMMERMAN: There, we are talking
23 advertising revenue. Now, it is quite normally
24 recognized within the publishing business that
25 the sales cost of advertising, expressed as
26 a percentage of the total sales dollar, is some-
27 what different in ratio than the normal sales
28 pattern of other products, particularly tangible
29 products. This is most different. In other words,
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2 a heavy profit with any publishing business largely
3 depends on its ability to generate advertising
4 revenue, and the further it goes up, the more
5 profitable the publication is. I think there
6 are publications, incidentally, that do not
7 depend on advertising revenues to the degree
8 that a number of publications that we have heard
9 referred to here, during the hearings, do depend
10 on it.

11 COMMISSIONER BEAUBIEN: I have one
12 last question, Mr. Zimmerman. This is in the
13 appendices to submission, page 73. This is
14 "1959 Canadian Circulation Per Issue", and also
15 the American editions for various magazines.
16 At the bottom of the page, you have "Reader's
17 Digest -- 884 subscriptions". That would be
18 your American edition coming into Canada, would
19 it not?

20 MR. ZIMMERMAN: Yes, sir.

21 COMMISSIONER BEAUBIEN: And on the
22 newsstands you would find 253. What newsstands
23 would you find your American editions on now?

24 MR. ZIMMERMAN: This is from an
25 A.B.C. report, but having read this report and
26 having to do with part of its preparation, I
27 have been expecting that someone might question
28 that. I have not learned where the newsstand is.
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3 I think it would be located in Windsor, Ontario,
4 abutting Detroit.

5 COMMISSIONER BEAUBIEN: For instance,
6 if I want to subscribe to the Reader's Digest,
7 American edition, would that be acceptable to
8 you people?

9 MR. ZIMMERMAN: We try to control that.
10 For instance, if a Canadian citizen, such as
11 yourself, requests that you would buy any one
12 of our editions in Canada...

13 COMMISSIONER BEAUBIEN: I mean an ordinary
14 citizen.

15 MR. ZIMMERMAN: Yes, an ordinary citizen
16 requests through our circulation department
17 that you buy a foreign edition, you would be
18 asked to accept the Canadian edition. If, however,
19 you insisted on the foreign edition, we would
20 supply it through the Foreign Edition Circulation
21 Department. But, because we have Canadian editions,
22 that is why this figure is almost insignificant.

23 THE CHAIRMAN: Mr. Zimmerman, on Page
24 16, you say: "...the parent Company and the corpor-
25 ations which publish the Digest's international
26 editions are regulated by formal contracts..."

27 MR. ZIMMERMAN: Yes, sir.

28 THE CHAIRMAN: Could we have a copy of
29 the contract between the Reader's Digest in Canada
30



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3 and the parent company?

4 MR. ZIMMERMAN: Yes. We can supply
5 this, sir. I do not have it readily available
6 today. It will be supplied later.

7 THE CHAIRMAN: Thank you. Is it
8 possible to get a financial breakdown of your
9 operation in Canada?

10 MR. ZIMMERMAN: Yes.

11 THE CHAIRMAN: You can get that?

12 MR. ZIMMERMAN: Yes.

13 THE CHAIRMAN: You will get that?

14 MR. ZIMMERMAN: Yes, sir. Would you
15 like that supplied, later, sir?

16 THE CHAIRMAN: There is no hurry about it.

17 MR. ZIMMERMAN: Thank you.

18 THE CHAIRMAN: What is your precise
19 relationship with Ronalds Press? Do you own it?

20 MR. ZIMMERMAN: We do not own the bricks
21 and mortar; but, we do own the press and we own
22 some other manufacturing equipment related to
23 the press. I understand you want to know whether
24 we own the whole company. No, sir. We have no
25 financial interest.

26 THE CHAIRMAN: You put the press in there?

27 MR. ZIMMERMAN: Yes, sir.

28 THE CHAIRMAN: And they charge you so
29 much for printing Reader's Digest there or doing
30 whatever printing you have done?



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3 MR. ZIMMERMAN: That is correct, sir.

4 THE CHAIRMAN: You have 420 people,
5 I think, in Montreal; is that correct?

6 MR. ZIMMERMAN: I think the figure
7 is 430, Mr. Chairman.

8 THE CHAIRMAN: What do they do? I
9 mean, how do you break it down?

10 MR. ZIMMERMAN: We have some located
11 in Toronto, as well as Montreal.

12 THE CHAIRMAN: In Montreal, how many
13 employees have you there now? You are putting up
14 your new plant there. How many employees have
15 you there now?

16 MR. ZIMMERMAN: In round figures, '400,
17 sir.

18 THE CHAIRMAN: Around 400?

19 MR. ZIMMERMAN: Yes, sir.

20 THE CHAIRMAN: What class of employees
21 are they? How do you make up the 400?

22 MR. ZIMMERMAN: Roughly I would say
23 there are a little over 200 in what we describe
24 as our fulfillment department. This is the
25 department that takes in the incoming mail, the
26 requests from customers, and satisfies it.

27 THE CHAIRMAN: Is this skilled or
28 unskilled labour?

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2 MR. ZIMMERMAN: Both.

3 THE CHAIRMAN: I was interested in what
4 you said you paid last year for wages and salaries.
5 Last year I think you paid \$1,200,000. Is that
6 what you say here?

7 MR. ZIMMERMAN: It is in the appendix
8 and I will just make reference to it if I may.
9 We start on Page 10, where we give a breakdown
10 of the 84.5 cents "remained in Canada". Then
11 we give a summary of the expenses. Going through
12 to wages, we paid about \$1,504,000.

13 THE CHAIRMAN: And that works out --
14 I figured it roughly the other right -- at about
15 \$80 a week. That seems to me a bit low when
16 you think of all the brilliant executives who
17 are here today. If there salaries were thrown
18 in would they not heighten the average?
19 I was thinking of our own bill at the General
20 Office where we only have about 300 employees.
21 You must have some low salaried people.

22 MR. ZIMMERMAN: I would not put it that
23 way. I will give you a direct answer to your
24 question. Some of the skilled labour cost to
25 the Digest is borne, of course, by Ronalds
26 Federated in their price to us in the production
27 of the magazine. So the skilled is all on the
28 bill for Ronalds, and this is what is throwing us.
29
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3 Making a direct reply with regard to
4 the average to which you have referred of about
5 \$80 a week, I can say that we pay at least the
6 area wage rates in Montreal for like classifications
7 and review these semi-annually.

8 THE CHAIRMAN: If I were to take the
9 United States edition and the Canadian edition
10 of any given month just what difference would
11 there be between them on an average.

12 MR. ZIMMERMAN: I cannot answer that.
13 You would like defined approximately four articles
14 left in the Canadian one?

15 THE CHAIRMAN: Four fewer in the
16 Canadian, but in what appeared in the magazine,
17 in the actual articles carried. Would they
18 be different articles in the Canadian from the
19 American?

20 MR. ZIMMERMAN: About 75 per cent,
21 month to month, would be identical articles to
22 the American articles. Over any 60 to 90 day
23 period we would cover all except a few. So the
24 lead time, in the sense of the edition timing,
25 the publication date does not run consistently,
26 but roughly it is 75 per cent. That does not
27 apply to the French edition.

28 THE CHAIRMAN: I was not thinking of
29 the French edition.
30

The first part of the paper is devoted to a discussion of the general principles of the theory of the structure of the atom. It is shown that the structure of the atom is determined by the laws of quantum mechanics, which are based on the principle of the conservation of energy and the principle of the conservation of momentum. The structure of the atom is determined by the laws of quantum mechanics, which are based on the principle of the conservation of energy and the principle of the conservation of momentum.

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2 If you are printing Reader's Digest
3 as it is today in Canada without the advertising
4 you carry, would you sustain a considerable loss?

5 MR. ZIMMERMAN: I am prepared to answer
6 that. I could answer it this way: I would
7 say that the circulation expense of the Digest
8 in Canada is less than the circulation revenue.
9 However, in order to answer your question completely
10 I would need to make an analysis of the overhead
11 of the Company.

12 THE CHAIRMAN: That is assuming you
13 were selling at a subscription price of \$4 per
14 year?

15 MR. ZIMMERMAN: No, at the price at
16 which we do sell, in other words at our average
17 recovery per subscription and newsstand copy,
18 the total combined, which is greater than our
19 expense in circulation.

20 THE CHAIRMAN: Do you always sell your
21 magazine at \$4?

22 MR. ZIMMERMAN: No.

23 THE CHAIRMAN: Do you not cut it down
24 by nearly 50 per cent?

25 MR. ZIMMERMAN: On occasion we do cut
26 to 50 per cent. This is not the high percentage
27 of circulation in any one year.

28 THE CHAIRMAN: It could be, sir.
29 I want to read you something in your October
30 edition.



1
2 "The Digest finds it possible to offer
3 you a reduction in price from \$4 to
4 only \$2.97 a year on subscriptions ordered
5 from September 15 to December 25.
6 This is less than the Digest cost when
7 it was first published 38 years ago."

8
9 But listen to this:

10 "The new low price of \$2.97 a year
11 applies not only to Christmas gifts
12 but to your own subscription as well.
13 You may renew at this rate now even
14 if your present subscription expires
15 at a later date."

16 What I suggest to you is that if all
17 your million readers in Canada tomorrow took
18 advantage of that offer -- and they could --
19 your subscription price for the Reader's Digest
20 would not be \$4 but ~~it would~~ be \$2.97.

21 MR. ZIMMERMAN: I agree.

22 THE CHAIRMAN: What is the point of the
23 representation here that you raised the price
24 from \$3 to \$4.

25 MR. ZIMMERMAN: I understand, sir,
26 that all magazines from time to time, both here
27 and in other countries, use promotional efforts
28 to increase subscriptions by offering special
29 rates -- and so do we, sir. I do not think that
30



1
2 we are the pioneers in this field, either here
3 or elsewhere in the world. I do think, however,
4 if the average subscription price is studied
5 it will be seen that we require a higher price
6 for our publication in Canada than any other
7 periodical with a similar circulation.

8 THE CHAIRMAN: We do understand that
9 we will get your contracts for the current company
10 plus a breakdown for the Canadian operation.

11 MR. ZIMMERMAN: Yes.

12 COMMISSIONER JOHNSTON: I have been
13 wondering if you could give me an idea as to
14 whether the Canadian public think of Reader's
15 Digest as a Canadian magazine.

16 MR. ZIMMERMAN: That is a hard question
17 to answer, Mr. Johnson. This would only be
18 a personal opinion. I do not know how they could.
19 When you look at the titles on the articles that
20 they read day to day, when you see the masthead
21 of our magazine clearly portraying the fact that
22 it is an affiliation of Reader's Digest Association,
23 I do not see how they could.

24 COMMISSIONER JOHNSTON: Thank you very
25 much. So you are not trying to translate Uncle
26 Tom's Cabin to a Canadian scene?

27 MR. ZIMMERMAN: No, sir, we are not.

28
29 ---Adjourned until Friday, November 18, 1960, at
30 10:30 o'clock.

